

OPEC Seeks to Brake Long Oil-Price Slide

Cash Crunch Fuels a New Bid to Cut Output

By Youssef M. Ibrahim
New York Times Service

VIENNA — If all goes as planned at an emergency meeting here Tuesday, the Organization of Petroleum Exporting Countries, in partnership with other major oil producers, will take more than 2 million barrels of oil a day out of world markets starting in April.

It would be the first time in 13 years that the cartel has taken such a drastic measure, largely because of the pressing needs of the largest producer, Saudi Arabia, and other producing countries to generate more revenue.

Anticipation of the move — which has emerged as OPEC officials formulated it in secret and in public talks held in Riyadh, The Hague, Dubai, London and other cities in the past four weeks — has already pushed prices up 20 percent, bringing the American benchmark brand known as West Texas Intermediate to around \$25 a barrel.

Light sweet crude for April delivery finished trading Monday at \$15.50, up 26 cents.

This has halted, for a while at least, the steady fall in prices that devastated the world energy industry in the past year.

Part of the impact reflects optimism

in the oil industry that salvation is on the way. In the past decade, globalization, competition from new oil suppliers and disputes within OPEC have combined to send oil prices into a seemingly endless tumble to a point where gasoline and fuel prices today are, in inflation-adjusted prices, at their lowest since the end of World War II.

Now, a confluence of new circumstances may help the cartel reverse some of these trends. Among other things, the Asian economic crisis, which cut more than 1.5 million barrels a day from the world's demand for oil, is stabilizing.

Iraqi oil production is also stabilizing. In 1998 Iraq more than doubled its oil production to 2.5 million barrels a day as the United Nations allowed it to sell more oil under its oil-for-food sanctions-relief program. That ceiling cannot rise much more unless the UN sanctions are removed altogether — something the United States would not allow.

Above all, the pain of lower prices has piled mountains of debt onto the economies of many oil-producing countries, which have cut their government budgets to a point of endangering social and political cohesion in



Oil Minister Ali Naimi of Saudi Arabia arriving for OPEC talks.

many places, and ravaged oil company profits worldwide — enough to create a consensus for OPEC discipline and worldwide cooperation.

"They have to act because low

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Clinton Warns Milosevic

NATO Awaits Outcome of Holbrooke's Mission

WASHINGTON — President Bill Clinton on Monday issued a grave warning to President Slobodan Milosevic of Yugoslavia to rein in his forces in Kosovo or face NATO attacks.

"If President Milosevic continues to choose aggression over peace, NATO's military plans must continue to move forward," Mr. Clinton said as he awaited the result of Ambassador Richard Holbrooke's mission to Belgrade.

The president was speaking as Mr. Holbrooke undertook negotiations with Mr. Milosevic that were seen as the last chance for peace before hundreds of warplanes and cruise missiles would be unleashed on Serbian forces.

"There is strong unity among the NATO allies," Mr. Clinton said. "We all agree that we cannot allow President Milosevic to continue the aggression with impunity."

As Mr. Holbrooke started the talks, one of the international mediators who met earlier in the day with the Yugoslav president said that Mr. Milosevic was not ready to compromise.

"It was clear from the outset that President Milosevic is not ready to move, not ready to compromise, not ready to come forward with a positive attitude by accepting the political agreement and the political deal which we have negotiated," said Wolfgang Petritsch, the EU envoy on Kosovo.

Earlier, NATO gave Secretary-General Javier Solana Madariaga the authority to launch air strikes against Serbian forces that continued to press attacks against ethnic Albanian rebels and their civilian supporters in Kosovo.

Mr. Clinton said he had written a letter to President Boris Yeltsin of Russia "about the urgency of the situation."

Earlier, Mr. Clinton's spokesman, Joe Lockhart, said the U.S. decision on the timing of an attack would not be influenced by a visit to Washington by the Russian prime minister, Yevgeny Primakov, which starts Tuesday.

Mr. Clinton said: "It is clear that Serb forces are now engaged in further attacks on Kosovo civilians. Already more than 40,000 Serb security forces are poised in and around Kosovo, with additional units on the way."

"Our objective in Kosovo remains clear to stop the killing and achieve a durable peace that restores Kosovo to self-government, the self-government that President Milosevic stripped away from them a decade ago."

On Monday, President Milosevic sent a fierce letter to the French and British foreign ministers in response to their plea for him to accept a peace plan, state television said.

The letter said Belgrade was ready for negotiations, but not an imposed solution. The television said the letter was Mr. Milosevic's response to a communication sent to him by the British foreign minister, Robin Cook, and the French foreign minister, Hubert Vedrine.

"As far as your threats are concerned, your peoples should be ashamed because you are threatening a small European nation which is defending its territory from separatism, their citizens and their historical dignity from bon-

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Trucks and vans waiting in line on Monday in Belgrade for diesel fuel, which is being put aside for the military in the event of a confrontation.

Is U.S. Straining Military?

Critics Dubious of Simultaneous Two-War Theory

By Brian Knowlton
International Herald Tribune

WASHINGTON — With U.S. forces poised to join in a possible NATO military attack against Yugoslavia, and tens of thousands of American troops still in the Gulf region supporting nearly daily air strikes against Iraqi defenses, the Pentagon risks seriously stretching its personnel, if not its equipment, analysts here said Monday.

"There is a significant strain, even now, even before NATO presumably heads into Kosovo," said James Anderson, a national-security analyst with the Heritage Foundation, a conservative think tank. "These pell-mell, frantic

deployments are putting a strain on the troops, their families and everyone else."

The Pentagon insists it will have no problem maintaining its large force in the Gulf region, where it has been patrolling the air over much of Iraq since the Gulf War in 1991, even if it leads attacks against Yugoslavia or joins in a peacekeeping force for Kosovo.

"We're more than capable of handling this mission in the Balkans, plus what's going on in the Persian Gulf," said a U.S. Air Force spokesman, who asked not to be named. "In the Balkans,

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Raids Against the Iraqis Begin to Annoy Saudis

High Officials See Allied Strikes as Punitive

By Douglas Jehl
New York Times Service

RIYADH, Saudi Arabia — Nearly three months of U.S. bombings against Iraq are proving an irritant to relations between the United States and Saudi Arabia, as senior Saudi officials acknowledge that the kingdom refuses to allow U.S. aircraft operating from Saudi bases to take part in what the Saudis regard as punitive raids against Iraq.

The kingdom is the main base for U.S. warplanes in the region, and its stand has forced the United States to tailor its tactics in what has become a low-level war against Iraq, by relying more heavily on carrier-based aircraft and on planes at other bases such as in Turkey.

While Saudi officials make clear in private that they, too, would like to see someone other than President Saddam Hussein ruling Iraq, their position is a clear indication of the discomfort felt here over the U.S.-led bombing campaign.

The strikes by British and U.S. jets have occurred on an average of every other day since Dec. 28, hitting more than 110 targets, mostly air-defense sites.

"Whatever has to do with going out and hitting targets in Iraq will not have the support of the kingdom," a senior Saudi official said in an interview, spelling out for the first time in public a position that has frustrated U.S. military planners.

The Saudi position is not new, as the kingdom has distanced itself from overt

military action against Iraq since the end of the Gulf War in 1991, but it is at odds with the more assertive U.S. military strategy toward Iraq.

Specifically, the Saudis have objected to the loosened rules of engagement for U.S. planes, which include an expanded definition of self-defense that has allowed pilots to strike Iraqi anti-aircraft batteries, missile launchers, communications facilities and other targets even when they present no direct threat.

The Saudi officials said their government was insisting that Saudi-based warplanes be kept under a tight leash, authorizing the use of force in Iraq only in response to a direct threat, such as signs that aircraft were being targeted by radar in preparation for the firing of anti-aircraft missiles.

The U.S. defense secretary, William Cohen, and other officials have portrayed the shift in U.S. strategy as defensive, saying it was prompted by aggression on the part of Iraq, which has vowed to shoot down U.S. planes patrolling zones where Iraqi aircraft are prohibited to fly.

But that explanation has been viewed with skepticism in parts of the Arab world, where it is seen as a cover for an undeclared campaign to step up pressure on the Iraqi leader.

When Mr. Cohen visited Saudi Arabia and five other friendly Gulf countries earlier this month to explain the policy, he won no public support.

Still, one senior Saudi security official

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AGENDA

Gucci Told to Talk To LVMH on Bid

Gucci Group NV must negotiate with LVMH Moët Hennessey Louis Vuitton SA of France over the French luxury goods giant's \$7.9 billion takeover bid, a Dutch court ruled Monday. The court reinstated LVMH's voting rights on its 34 percent stake in Gucci, but it also upheld a Gucci agreement with Pininfarina-Redoute SA in which the French retailer will take a 40 percent interest in Gucci. Page 15.

The Dollar			
	Monday @ 4 PM	previous close	
Euro	1.0913	1.0896	
Pound	1.628	1.6285	
Yen	118.115	117.155	
DM	1.7933	1.7951	
FF	8.0144	8.0205	
The Dow			
	Monday close	percent change	
Dow	8,890.51	-0.13%	
S&P 500			
	2,297.01	-0.18%	
Nasdaq			
	2,395.92	-1.05%	

Now, It's About Beef: America Retargets EU

Compiled by Our Staff From Dispatches

WASHINGTON — The United States, already in bitter trade battles with the European Union over issues ranging from airline engines to bananas, said Monday that it was preparing a new list of sanction targets to retaliate against Europe's refusal to allow the sale of U.S. beef treated with growth hormones.

The preliminary target list covers more than \$900 million in European imports. The sanctions, which would effectively double the price of the products in the American market, would go into effect at the latest by early July, administration officials said.

The growing trade tensions between the United States and the 15-nation European Union, America's largest trade partner, are coming at a time when the Clinton administration is under domestic political pressure because of a skyrocketing U.S. trade deficit.

Peter Scher, U.S. trade negotiator on agricultural matters, said the list covered European agricultural imports to the United States as well as some manufactured goods. "This is the most effective way to leverage the EU to comply with its obligations," he said.

The target list will be pared after an public hearing April 21 at which U.S. companies will be allowed to make a case that certain products should be excluded from the final list because of

potential harm to U.S. businesses.

The new target list is in addition to \$520 million in European products targeted in the earlier trade fight involving European restrictions on banana shipments by American companies. In the dispute over airline engines, the U.S. House of Representatives has voted to stop the Concorde supersonic jetliner from landing in the United States if the European Union goes ahead with a plan to ban American jetliners equipped with so-called hush kits.

The American beef industry has said it is losing more than \$500 million in sales annually because of Europe's refusal to abide by World Trade Organization rulings that there is no scientific justification for Europe's ban on imports of American beef produced with cattle-fattening hormones.

Europe says the ban is justified because of concern growth hormones fed to U.S. cattle may harm human health. The EU says it has a right to assess the risk before complying with a WTO order to allow imports of U.S. beef.

Though the beef dispute is months away from resolution, access to the European beef market would benefit the \$36 billion U.S. cattle industry as well as IBP Inc., world's largest packer of fresh beef, and the meat packing units of Cargill Inc. and ConAgra Inc.

(AP, Bloomberg)

Breezy as Air They Rode

2 Balloonists Tell of Trip Around the World

By Howard Schneider
Washington Post Service

CAIRO — They were sick and weary over the Gulf of Mexico, caught in doldrums nearly 10,000 meters up and struggling to breathe. Within hours, elation came on a fresh jet stream that catapulted the Breitling Orbiter-3 balloon crew forward to Jamaica and into the Atlantic.

They filled the few mundane moments with Eric Clapton compact discs and the music from "Les Misérables," grew bored with the Pacific's monotonous "blue with white bits" and were awed when an "invisible hand" steered

them between competing ocean storms.

Finally settled back on Earth on Sunday after a record-breaking three-week nonstop balloon trip around the world, nestled in a remote nook of Egypt's Western Desert, the crewmen did what any clear-thinking mammals would after a trip of more than 41,000 kilometers (26,000 miles).

They washed their hair.

During what turned into a seven-hour wait in the desert for a ride back to civilization, Bertrand Piccard, a Swiss psychiatrist, and Brian Jones, a British pilot, said they found it fitting that their journey ended in solitude, not amid a cork-popping crowd, but isolated on a sandy plateau, unsure who was going to pick them up or when.

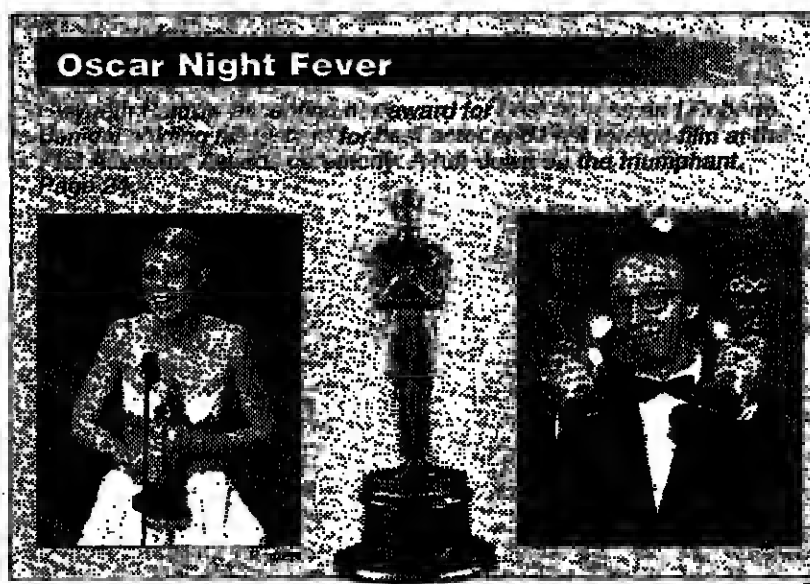
"We could see absolutely nothing," said Mr. Jones, 51. "It seemed right somehow. We had time to collect ourselves. We washed our hair."

Prevailing winds denied Mr. Jones his dream of landing at the Giza Pyramids near Cairo. Confused communications with the Egyptian military, and an unsuccessful effort to extract them by four-wheel drive, left them stranded near the oasis village of Mut before a military helicopter finally arrived.

"It is wrong to think there is nothing in the desert," said Mr. Piccard, 41, the metaphysician of the pair. "There is sand. There is air and light. There were swallows and insects. It is remarkable how well you can fill emptiness."

In a news conference late Sunday at a Cairo hotel, Mr. Jones and Mr. Piccard spoke in nearly spiritual tones of their 28-day journey, which began in the Swiss Alps on March 1. At the end it was not just about meeting one of aviation's most elusive challenges, they

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Bonn's 'Red-Green' Tensions Rise as Bold Vision Fades

By Roger Cohen
New York Times Service

BERLIN — At the most recent German cabinet meeting, Juergen Trittin, the environment minister, pointedly took out a newspaper and began reading while important government business was discussed. "It was extraordinarily rude, apart from anything else," said one astounded minister who was present and who watched as Joschka Fischer, the foreign minister, called Mr. Trittin to order by whispering at him across the table.

The incident says much about the tensions and unpredictable turbulence that persist in the government of Europe's most powerful country 10 days after the abrupt resignation of Oskar Lafontaine as finance minister. Far from bringing calm, Mr. Lafontaine's departure has only shown further divisions.

"A center is missing, and in its place there is a bazaar," the respected weekly Die Zeit commented. "Chancellor Gerhard Schröder's political style

A Bitter Environmentalist Shows Contempt in Cabinet

brings to mind those Spanish soap operas in which the viewing public has the chance to write scripts that will decide the fate of the show's characters."

The fate of Germany's six-month-old governing coalition of Social Democrats and environmentalist Greens remains unclear. But it is already clear that the heady euphoria and bold ambitions that marked the birth of the country's first "Red-Green" government have vanished in a pall of confusion. Long predictable, Germany today gives a frequent impression of being rudderless.

Mr. Trittin, who is a Green, is angry because his plan to shut down nuclear power stations that provide about a third of Germany's energy needs has stalled as business leaders have pressed Mr. Schröder to reconsider or to postpone any action.

Beyond that, Mr. Trittin clearly shares Mr. La-

fontaine's deep frustration that the room for governing in some distinct and reformist way in a closely united Europe is now extremely limited.

"Red-Green" was supposed to stand for all sorts of new things: an end to nuclear power, a different approach to economic policy involving possible wage increases to stimulate demand and elimination of NATO's first-strike nuclear option. But reality has proved harsh.

That reality is of a Germany where the business lobby is extremely strong, where laws and regulations tend to inhibit reform, where fear of experiments persists and where a European Central Bank in Frankfurt sets a monetary policy for the Continent that Mr. Lafontaine tried haplessly to change. Mr. Trittin has grown impatient with the slowness of Germany's consensus politics. And apparently convinced that the chancellor is a friend of business with no interest in any left-leaning or environmentalist reform, he loses few opportunities to show his contempt for the gov-

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Newstand Prices			
Bahrain	1,000 BD	Mexico	55 c
Cyprus	€ 2.100	Nigeria	12900 Naira
Denmark	17 DKR	Oman	1,250 OMR
Finland	12.000 FIM	Qatar	10.000 QR
Gibraltar	€ 0.85	Rep. Ireland	IR £1.10
Greece	€ 5.50	Saudi Arabia	10 SR
Great Britain	£1.00	S. Africa	R16 incl VAT
Egypt	1,250 JD	U.A.E.	10.00 Dh
Jordan	€ 1.10	U.S. Mil. (Eur.)	\$ 1.20
Kenya	€ 1.10	Zimbabwe	Zim \$40.00
Kuwait	700 Fils		



Borneo Death March / Of 2,700 Prisoners, 6 Survived

An Old Soldier Remembers a Wartime Atrocity

By Thomas Fuller
International Herald Tribune

SANDAKAN, Malaysia — Owen Campbell returned to Borneo last week, back to the jungles where half a century ago his best mates were marched to their deaths.

Wearing a row of ribbons and medals across his left breast pocket, Mr. Campbell, 82, sat in the stagnant heat of the jungle and stared straight ahead at a black slab of granite, a memorial to one of the most grisly — yet little-known — atrocities of World War II in the Pacific.

Of the 2,700 British and Australian prisoners of war interned here by Japanese forces, only 6 made it out alive. Mr. Campbell is the last living survivor — and a reminder that when war veterans pass away, a little piece of history dies with them.

"We come here to this place to help ensure that this story is not forgotten," Bruce Ruxton, an Australian veteran, told the crowd assembled at the memorial site. "We acknowledge that great evil was done here, that inhumanity has reached such depths that shame us as human beings even to contemplate."

Relatively little has been written about the events that Mr. Campbell came to Sandakan to commemorate, in part because so few people lived to tell the story. More attention has been paid to such wartime atrocities as the Bataan Death March in the Philippines and the deadly construction of the rail line linking Burma with Thailand.

Discussion of the Sandakan Death March, as it is known, has been largely confined to Australia, where it has been called the country's worst military tragedy.

"It's not a forgotten story, but no one ever came back to tell it," said Colonel Martin Cooper, London's representative at the ceremonies last week. About 900 British soldiers were among the prisoners of war brought to Sandakan. None survived.

Prisoners interned here died slowly. They were starved and beaten.

Toward the end of the war, when the Japanese decided to flee Sandakan, most of the remaining prisoners were marched to their deaths. Those who were strong enough to make it to the end of the trail were executed.

Mr. Campbell and five others survived only because they escaped.

In a sign of the continuing sensitivities and anger surrounding the prison camp and death march, no Japanese were present at the ceremony last week.

"The proud and honorable title of soldier cannot be applied to those men," said Bruce Scott, Australia's minister for veterans affairs, referring to the prison guards at Sandakan.

Japanese veterans have traveled here in the past, but never together with their former Australian enemies.

Residents of Sandakan tell of an old Japanese man who came here about 15 years ago and checked into the city's main hotel.

He traveled to the site of the prison camp, stripped down to a ceremonial loin cloth and knelt in front of the memorial all day and all night until he collapsed and was taken away by an ambulance.

"Nobody knows who he was," said Richard Chung, a Sandakan resident who heard of the man's visit from his neighbors. "He left without saying a word."

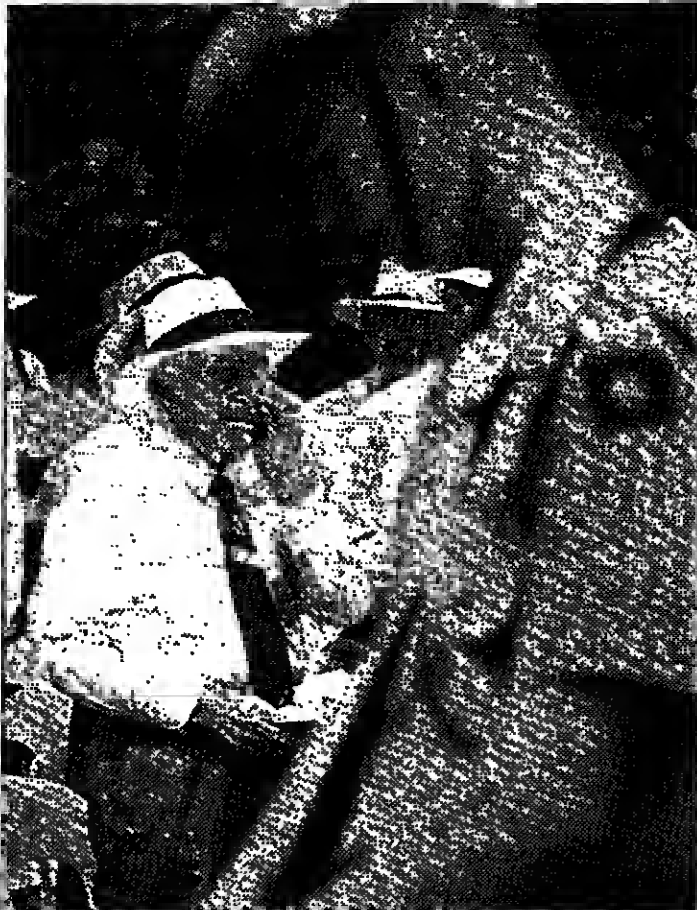
Mr. Campbell and the brothers, sisters and widows of those killed on Borneo retraced the Death March last week in large, shiny tour buses.

They stopped at various spots along the way, remembering their fallen friends and family with hymns and readings from the Bible. A bugler, tears streaming down his face, played "The Last Post."

Together, they stood and sang "O Valiant Hearts, Who to Your Glory Came."

All you had hoped for, all you had, you gave to save mankind — yourselves you scorned to save.

The group kept a moment of silence, broken only by



"I can't explain what forces you to keep going," said Owen Campbell, above. "But you don't stop. If you stop and lay down, you'll never get up."

cicadas in the trees and other jungle sounds. The Japanese came to Borneo's steamy jungles less than two months after they bombed Pearl Harbor on Dec. 7, 1941, eager to tap the oil buried along the island's north coast.

As the war progressed, the Japanese decided to build an airstrip in Sandakan, a small city on the northeastern tip of the island. To complete the task, they shipped in Australian and British POWs from Singapore and neighboring islands.

PRISONERS were held at Sandakan from 1942 until 1945, first building and then maintaining the air strip. But as the war turned against Tokyo, conditions deteriorated in the camp. Food rations were cut and disease spread. Despite the availability of Red Cross supplies, medical treatment was denied to the prisoners.

Fearing an Allied invasion in Sandakan, the Japanese decided to move the prisoners inland, marching them along a muddy, mountainous trail in two waves. Those who could not keep up were executed, sometimes beheaded.

Among those in the second wave of diseased and starving soldiers was Mr. Campbell, a cattle rancher in Australia before he enlisted to fight the Japanese.

Today, Mr. Campbell describes the death march — and the escape that saved his life — with remarkable clarity.

Eighty kilometers (50 miles) into the march, a friendly Japanese guard told him that he and the other prisoners would be killed when the group reached their final destination of Ranau, a village high on a plateau about 260 kilometers west of Sandakan.

The guard was right.

The last survivors of the march to Ranau were made to sit

in a group. According to testimony given at a war crimes tribunal after the war, a Japanese sergeant addressed the prisoners: "There is no rice, so I'm killing the lot of you today. Is there anything you want to say?"

Mr. Campbell's escape began late one afternoon when American reconnaissance planes flew low overhead. The Japanese guards, fearful that the planes would strafe their camp, ran for cover.

Mr. Campbell and his four mates took off in the opposite direction from the guards, sliding down a long, steep slope and waiting in the brush for dusk. The hundreds of prisoners and their guards continued their death march without them.

Mr. Campbell and his friends spent the next few days hacking away at the jungle, often crawling through the thick brush. Diseased and skeletal, they marched toward what they thought was the sea.

"I can't explain what forces you to keep going," Mr. Campbell said in the air-conditioned lobby of a hotel last week.

"In a situation like that, you seem to get supernatural strength. Don't ask me where it comes from."

"But you don't stop. If you stop and lay down, you'll never get up."

FOR FOOD, they watched birds and monkeys feed and tried to eat the same things. Whatever was too bitter, they spat out. They ate bugs and crayfish and discovered secrets of survival in the jungle.

"It's a funny place this Borneo," Mr. Campbell said. "If you dig a hole in the ground, in three days you get fish that long." He held his arms about 15 centimeters (6 inches) apart. "Don't ask me where they come from."

Not plentiful fish and wild fruit were not enough to save two of the escaped prisoners.

One of them, Edward Skinner, was so weakened by beriberi and malaria that he could no longer move. Mr. Campbell stayed behind with Mr. Skinner and tended to him for three days, until one morning he came back from a food-gathering mission and found Mr. Skinner's throat cut. Mr. Campbell said he thought Mr. Skinner committed suicide so as to not hold him back any longer.

After seven weeks in the jungle, Mr. Campbell was the last man standing. The two other escapees were killed while trying to hail a passing river boat. A Japanese soldier appeared from inside the boat and opened fire.

"They never had a chance," Mr. Campbell said.

He survived with the help of friendly fishermen, who took him to a group of Australian commandos secretly stationed nearby. He was taken to a U.S. Navy ship and nursed back to good health.

His account of the Sandakan prison camp and that of five other prisoners who escaped separately have been crucial to reconstructing the death march. But the information has been slow in emerging.

"We were told we weren't allowed to say anything when we first came back," Mr. Campbell said. Some veterans attending the ceremonies said that the Australian government had been reluctant to publicize details about the march for fear of upsetting relations with Japan, an important trade partner.

But if the ceremonies last week are any indication, that attitude has changed.

The group was led by Mr. Scott, the minister of veterans affairs, and several other Australian government officials and was widely covered in the Australian media.

Mr. Campbell, who returned to Australia on Sunday, said he would not come back to Borneo.

And some of the most horrible secrets of the Sandakan death march will die with him.

"I don't intend to tell anybody what actually happened," he said. "I won't talk about atrocities because I don't reckon it's right."

"I never actually told my family what happened. They ask, but I say no. They wouldn't want to know."

Encephalitis Puts Malaysia to Test

By Thomas Fuller
International Herald Tribune

BUKIT PELANDOK, Malaysia — Dozens of soldiers wearing white jumpsuits and surgical masks walked into Tan Boon Ann's backyard Monday and killed the farmer's 2,000 pigs with rifles, hammers and metal rods.

Up and down Mr. Tan's road, army trucks waited to transport the soldiers — the vanguard of Malaysia's battle against the Japanese encephalitis virus — to the next pig farm on the list.

It has been a traumatic few days for the small towns around Bukit Pelandok, 100 kilometers (60 miles) south of Kuala Lumpur and only 15 kilometers from the city's new airport.

Health workers have gone door-to-door, offering free vaccinations to local residents while the police manna roadblocks in the area, which is filled with small pig farms, many of them in people's backyards. Led by the army, the government plans to cull 300,000 pigs, the carriers of the disease, in the next 10 days.

More than 50 people are believed to have died from Japanese encephalitis in the past few weeks, with another 145 people believed to have contracted it.

The disease, which is transmitted to humans by mosquitoes and attacks the brain, has also crippled Malaysia's pig-rearing industry, one of the largest in Southeast Asia.

Beyond personal tragedy and economic losses, the disease may have social and political implications.

The politics of pork are complicated in multiracial Malaysia. The meat is revered by the country's ethnic Chinese minority, but reviled by its Muslim majority. Hollywood movies are censored to remove scenes with pigs in them and the Malay word for pig is not used on television.

"It's a very sensitive issue," said Abdul Razak Abdullah Baginda, executive director of the Malaysian Strategic Research Center. The country's Muslim opposition, which wants to see Malaysia become an Islamic state, could call for a ban on pork, he added.

The culling operation could also engender resentment among Malaysia's Muslims in general. The vast majority of those involved — soldiers, police officers and civil servants — are Muslim.

The outbreak has dominated the front pages of local newspapers for the past week, but seen in the context of recent events containing the Japanese encephalitis outbreak seems like a minor hurdle for Malaysia.

The country has faced series of crises in the last 18 months, including months of haze that blotted out the sun, a water shortage in the capital, anti-government demonstrations and not least financial turmoil that caused the country's economy to shrink by 6 percent last year.

At issue for the government now is whether it can contain Japanese encephalitis to areas that have already been infected.

In a sign that the disease might have already spread, a pig trader working in an abattoir in Singapore died over the weekend of what has been described as a different strain of the disease.

Malaysia's first case of Japanese encephalitis was detected in October. According to one government official, the disease spread within the country when infected pigs were smuggled across state boundaries.

Both Thailand and Singapore have banned pork imports from Malaysia.

Here in Bukit Pelandok, the main shopping street was virtually abandoned. All but one of the dozens of shops were closed. Among the few pedestrians on the main street Monday afternoon was a stray pig that scoured for food and dodged the bulldozers and backhoes brought in to bury the culled swine.

At one end of the street, N. Ramasamy, 52, has kept his coffee shop open.

He serves mostly soldiers and health workers. "There isn't a Chinese person left in this town," Mr. Ramasamy said. "I'm not leaving until the police ask me to."

U.S. Health Experts Arrive

A team of American health experts arrived in Malaysia on Monday to help contain the virus. The Associated Press reported from Kuala Lumpur.

The researchers from the Centers for Disease Control and Prevention set up an office and a laboratory in the Malaysian Health Ministry, a U.S. Embassy official said.

After Near-Disaster, United Orders More Flight Training

By Don Phillips
Washington Post Service

WASHINGTON — United Airlines tightened training requirements for its Boeing 747 pilots and ordered all 9,600 of its pilots to take a refresher safety course by May 10 following an incident in which a crew member mishandled an engine problem and nearly hit a mountain in a densely populated area near San Francisco, according to officials.

During the incident last year, a Boeing 747 departing San Francisco with 307 people and a full load of fuel experienced a problem that shut down one of its four engines. A co-pilot, then flying the plane, mishandled emergency procedures, and the jet nearly stalled.

The crash with disaster has drawn attention to the limited flying experience many pilots receive in the era of long-range jumbo jets and has led federal regulators to consider new rules to ensure that pilots are properly trained.

Pilots on the jumbo jet get minimal experience in takeoffs and landings because the plane flies such long routes. Two extra co-pilots are added to each cockpit on long flights for a total of four crew members.

Since crews can make only a few trips a month on such long routes, the chances for each pilot to take off and land are limited. Most of their training experience is in aircraft simulators.

In the United case, the co-pilot had

only made one takeoff and landing in the previous year. After one engine ceased to be shut down, he nearly stalled the plane by using the wrong equipment to compensate for the uneven thrust of two engines on one wing and one on the other.

By the time the co-pilot recovered from the near-stall, the plane was headed toward San Bruno Mountain a few miles northwest of the airport. With a ground warning system barking, "Terrain. Terrain. Pull up. Pull up," the plane cleared the mountain by only about 100 feet (30 meters).

United, which confirmed the June 28 incident last week, reported it to the Federal Aviation Administration, leading the agency to re-evaluate the airline's training programs and to order pilots to perform a minimum number of takeoffs and landings in aircraft instead of simulators.

Under new rules agreed to by the aviation agency and United, each pilot must make at least one takeoff and landing each month, plus two in a simulator.

Nicholas Lacey, the agency's director of flight standards, said the agency was also reviewing its standards for Boeing 747 pilot training, but suspected that United's problem might be "airline-specific" because of work rules that allow pilots to remain Boeing 747 co-pilots for many years rather than be upgraded to captain of other planes.

TRAVEL UPDATE

Air France to Reduce Paris-Jakarta Service

JAKARTA (AFP) — Air France is cutting its number of Paris-Jakarta flights each week by half, making it the latest of several foreign carriers to cut services to Indonesia, company sources said Monday.

The French carrier will cut flights on the route to three a week starting Sunday because of a drastic fall in the number of passengers as a result of the economic crisis in Indonesia.

British Airways has cut its Jakarta service to two flights a week from six. Lufthansa trimmed its schedule from seven a week to four, and Turkish Airlines has dropped its service to Jakarta. The Indonesian carrier Garuda eliminated its flights to Paris last year.

Reservations for 2000

BEIJING (Reuters) — The civil-aviation sector in China has booked 30,000 plane tickets for people flying after 2000 without a glitch, the official Xinhua press agency said Monday.

The new booking system passed checks by domestic and foreign airlines and was first used in January, it quoted an industry official as saying. Beijing, eager to show confidence that it has solved the millennium bug in aviation computer systems, has ordered several officials to be on board its flights when the new century arrives.

Puerto Rico Sees Gains

SAN JUAN, Puerto Rico (AP) — A bitter northern winter and the closing of one hotel after the hurricane designated Georges led to Puerto Rico's highest January hotel-occupancy rate in seven years, tourism officials said. An average of 76.5 percent of hotel rooms were filled during the month, an increase of 5.1 percentage points from 1998, according to a tourism industry official. The island had nearly 150,000 visitors in January, up 9 percent from January 1998.

Jaime Sabines Gutierrez, 72, Mexico Poet, Dies

New York Times Service

MEXICO CITY — Jaime Sabines Gutierrez, 72, the poet whose lyrical hymns about desire and loss were embraced and recited by generations of Mexicans, died of cancer Friday.

Although he shunned public attention, Mr. Sabines was a truly popular poet. His sometimes melancholy, often very occasionally brutal, but always accessible readings of the travails of the heart had special appeal for Mexicans caught between a tradition-bound culture based on close families and the tumultuous changes imposed by modern life.

At one of the last of the rare readings he gave in his later years, Mr. Sabines drew an overflow crowd in 1996 to the Palacio de Bellas Artes, the national theater of Mexico. Thousands of his followers remained in the plaza outside, content simply to hear his raspy voice on loudspeakers.

Mr. Sabines avoided conventional intellectual circles. Growing increasingly conservative, he made a midlife foray into politics, which put off the largely anti-government intelligentsia. He served two three-year terms as a federal legislator, in the 1970s and again from 1988 to 1991, representing the Institutional Revolutionary Party, which in practice was Mexico's government for seven decades.

As a result, his work was not universally extolled by the literary class. But in 1983, when Mr. Sabines was awarded the National Prize for Letters, Mexico's highest literary award, Octavio Paz, the Nobel Prize-winning poet who died last year, said, "His intense personal opus is in my view among the most important in Latin America and the Spanish language."

Mr. Sabines was born in Tuxtla Gutierrez, in the rural southern state of Chiapas.

Gerhard Herzberg, 94, Nobel Prize-Winning Chemist

New York Times Service

Gerhard Herzberg, 94, winner of the 1971 Nobel Prize in Chemistry for research into the structure of molecules, died March 3 in Ottawa.

Mr. Herzberg was known as the creator of modern molecular spectroscopy, which uses optical instruments to measure the characteristics of light emitted or absorbed by molecules and atoms. He spent most of his career with the National Research Council of Canada, retiring formally in 1994.

In making his award, the Nobel prize jury cited "his contributions to the knowledge of electronic structure and geometry of molecules, particularly free radicals." Free radicals are fragments of molecules that are highly reactive, and combine easily with other molecules.

WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

Europe				Asia			
City	Today	High	Low	City	Today	High	Low
London	14/18	14	18	Tokyo	14/18	14	18
Paris	14/18	14	18	Seoul	14/18	14	18
Amsterdam	14/18	14	18	Beijing	14/18	14	18
Brussels	14/18	14	18	Manila	14/18	14	18
Berlin	14/18	14	18	Cebu	14/18	14	18
Munich	14/18	14	18	Hong Kong	14/18	14	18
Frankfurt	14/18	14	18	Singapore	14/18	14	18
Zurich	14/18	14	18	Malaysia	14/18	14	18
Stockholm	14/18	14	18	Thailand	14/18	14	18
Copenhagen	14/18	14	18	Philippines	14/18	14	18
Oslo	14/18	14	18	Indonesia	14/18	14	18
Helsinki	14/18	14	18	Vietnam	14/18	14	18
Tallinn	14/18	14	18	Laos	14/18	14	18
Riga	14/18	14	18	Myanmar	14/18	14	18
Vilnius	14/18	14	18	Burma	14/18	14	18
Kiev	14/18	14	18	China	14/18	14	18
Moscow	14/18	14	18	India	14/18	14	18
St. Petersburg	14/18	14	18	Pakistan	14/18	14	18
Warsaw	14/18	14	18	Bangladesh	14/18	14	18
Budapest	14/18	14	18	Nepal	14/18	14	18
Prague	14/18	14	18	Bhutan	14/18	14	18
Bratislava	14/18	14	18	Sri Lanka	14/18	14	18
Vienna	14/18	14	18	Maldives	14/18	14	18
Salzburg	14/18	14	18	Timor	14/18	14	18
Innsbruck	14/18	14	18	East Timor	14/18	14	18
Graz	14/18	14	18	Myanmar	14/18	14	18
Ljubljana	14/18	14	18	Laos	14/18	14	18
Belgrade	14/18	14	18	Vietnam	14/18	14	18
Sofia	14/18	14	18	Thailand	14/18	14	18
Belgrade	14/18	14	18	Philippines	14/18	14	18
Podgorica	14/18	14	18	Indonesia	14/18	14	18
Skopje	14/18	14	18	Vietnam	14/18	14	18
Thirane	14/18	14	18	Laos	14/18	14	18
Prishtine	14/18	14	18	Myanmar	14/18	14	18
Belgrade	14/18	14	18	Burma	14/18	14	18
Sofia	14/18	14	18	Philippines	14/18	14	18
Belgrade	14/18	14	18	Indonesia	14/18	14	18
Podgorica	14/18	14	18	Vietnam	14/18	14	18
Skopje	14/18	14	18	Thailand	14/18	14	18
Thirane	14/18	14	18	Philippines	14/18	14	18
Prishtine	14/18	14	18	Indonesia	14/18	14	18

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THE AMERICAS

Bradley Lays Out Attack: Ex-Senator's Boldness vs. Vice President's Caution

By Thomas B. Edsall
Washington Post Service

JOHNSTON, Iowa — Bill Bradley's hard-edged strategy for taking on Vice President Al Gore in the battle for the Democratic 2000 presidential nomination emerged over the weekend as the former New Jersey senator campaigned in Iowa.

Mr. Bradley portrayed Mr. Gore as part of a politically cautious Washington elite and a politician of questionable viability in the general election.

In addition, Mr. Bradley has sought to capitalize on liberal discontent with the Clinton-Gore administration's centrist and small-scale policy initiatives by asserting he will take "bold" steps to reduce child poverty, to insure the uninsured and to invest in the most vulnerable of the very young.

Mr. Bradley's approach has already elicited a response.

The vice president defended his populist credentials as a country boy who learned how to "clean out hog waste with a shovel" and "plow a steep hillside with a team of mules" — episodic farm experiences ridiculed by the Republican National Committee and the influential news-

paper, the Des Moines Register.

On his fourth post-announcement visit to Iowa, the first state to pick delegates, Mr. Bradley fleshed out a series of campaign themes.

While rejecting ideological labels, the three-term senator pressed issues that would place him on the liberal side of the spectrum.

He said his top priorities would be to address the needs of the "one in four children who are in poverty; deal with the 43 million Americans who don't have health insurance" and to "invest in children zero to 5."

Mr. Bradley would not support increases in military spending as large as those proposed by the Clinton administration.

Iowa Democratic caucus-goers are substantially more liberal than voters generally. Many voice at least modest discontent with the centrism of the Clinton-Gore administration.

Denigrating administration approaches, Mr. Bradley said, "We are at a time when the idea of winning an election by simply nickeling and diming it, by simply using a focus group phrase or a small program that rhetorically is strong but

won't make a real difference on the ground is past. I think we need to do some bold thinking."

At every campaign stop, Mr. Bradley brightened in the knowledge that he has annoyed Mr. Gore with his answer to the questions: how do he and Mr. Gore differ, and why reject Mr. Gore, the heir-apparent?

One major difference, Mr. Bradley said, "is leadership style. When I was in the Senate, I used to take big complex issues — taxes, international trade, international finances — and put a structure of reform around them of those life experiences."

Although Mr. Gore's family owned a working farm in Carthage, Tennessee, it is unclear how much time he spent there. The Republican National Committee quickly found and widely distributed a quote from a 1994 New Yorker article, just the kind of material that will serve Mr. Bradley best if it becomes public currency.

"Gore was the son of politics, a child of Washington where his father served for 32 years," the article said. "The family residence

was an apartment in the elegant Fairfax Hotel which was owned by a Gore cousin; young Al walked across the street every morning to the Cosmos Club, where a bus picked him up for the ride to Washington's most elite prep school, St. Albans."

And without Mr. Bradley having to lift a finger, the Register ran a front-page cartoon, "American Gorethic," showing the vice president in bib overalls under his suit, pitchfork in hand, wife by his side, as he declares: "I was born with a manure shovel in my hand, and spend my days behind a team of mules, and my nights inventing the Internet."

While Mr. Bradley might have won this early skirmish, he and Mr. Gore are both sons of privilege.

Both are Ivy Leaguers (Mr. Gore went to Harvard, Mr. Bradley to Princeton), and Mr. Bradley's father was the majority stockholder in their hometown bank. For the moment, Mr. Bradley enjoys the protection of the underdog.

Mr. Gore, said William Robinson, a senior adviser to Mr. Bradley, "is the death star and we are the rebels," referring to the "Star Wars" movies.

This position evaporates once a candidate takes the lead.

Instead of ignoring his challenger, Gore took up the gauntlet with a barnyard portrayal of his populist credentials.

POLITICAL NOTES

In a Switch, Quayle Is Critical of China

WASHINGTON — In a toughly worded foreign-policy speech, former Vice President Dan Quayle has moved sharply away from the "engage China" stance he took while serving under President George Bush and accused the Clinton administration of "appeasement" of Beijing.

Mr. Quayle's address to the Los Angeles World Affairs Council aligned him with others in the Republican field for 2000 who have taken a hard line toward China. Implicitly, it opened a possible area of debate with Governor George Bush of Texas, a son of the former president. Mr. Quayle was emphatic in shifting his stance from the policy he defended for four years as vice president under the elder Mr. Bush.

The situation in China is "far worse today," Mr. Quayle said, citing "a continued decline" in human rights, rising religious persecution, threats against Taiwan and "espionage involving our most critical secrets." (WP)

Internet Historians Click on Gore

WASHINGTON — Did Al Gore create the Internet? The vice president's recent comment that he "took the initiative in creating the Internet" opened him up for wide debate, as the global computer network had its beginnings more than 25 years ago.

Mr. Quayle scoffed to a reporter that "if Gore invented the Internet, I invented spell-check." The Senate majority leader, Trent Lott, Republican of Mississippi, countered that he had invented the paper clip.

But despite the partisan mirth, many of the researchers and venerated propeller-heads who actually did have a hand in the Internet's creation said that Mr. Gore deserved substantial credit for passing a number of bills that gave a boost to supercomputing and high-speed communications networks and that helped create the Internet as it exists today.

David Farber, a professor of computer science at the University of Pennsylvania and one of the early players in the Internet, said that along with the importance of his legislative initiatives, Mr. Gore popularized the emerging medium worldwide.

Vinton Cerf, the person most often called "the father of the Internet," said, "I think it is very fair to say that the Internet would not be where it is in the United States without the strong support given to it and related research areas by the vice president in his current role and in his earlier role as senator." (WP)



A Zapatista supporter voting in Mexico City. The rebel-organized referendum posed questions about the guerrillas' proposals for peace with the government.

Zapatistas, Seeking Visibility, Pose Some Loaded Questions

By Julia Preston
New York Times Service

MEXICO CITY — Mexico's Zapatista rebels, in a characteristically imaginative but one-sided attempt to put their isolated movement back in the limelight, have held a nationwide referendum on their proposals for peace with the government.

The four questions on the ballot Sunday were so politically loaded that they were likely to reveal little about Mexicans' views on the rebels' five-year-old organization — a hybrid between an armed guerrilla force and a grass-roots Indian rights movement.

[A firm hired to count the votes said more than 95 percent of the 860,349 ballots tallied as of early Monday went in favor of the Zapatistas, Reuters reported Monday. Zapatista supporters estimated that 2.5 million people had cast ballots, at least 95 percent answering "yes" to each question. The Associated Press reported.]

The preparations for the vote in recent days brought much political theater. The media blitz made it clear that the Zapatistas and their chief strategist, known as Subcomandante Marcos — who did not leave Chiapas, the southeastern state where the rebels are based

— retain a flair for populist politics.

The Zapatistas organized balloting in every county in Mexico and 5,000 masked Zapatista followers propagated their proposals across the nation.

Last week, a half-dozen masked Indian rebels stopped in for lunch at a storied cafeteria in Mexico City called Sanborn's. They sat at the same counter where the fighters in broad sombreros supporting Emiliano Zapata, the revolutionary for whom the modern-day rebel organization is named, had a meal after marching to Mexico City in 1914.

The most surprising encounter was a lunch Thursday among three Zapatistas and several top business executives at the Industrialists' Club, the exclusive meeting place for the captains of Mexican capitalism. Participants said the businessmen urged the Zapatistas to make peace with the government, while the Zapatistas urged the businessmen to urge the government to make peace with them.

The government responded with its own press campaign. President Ernesto Zedillo traveled to Las Margaritas, a Chiapas Indian county that used to be strongly pro-Zapatista but is increasingly divided. He blamed the Zapatistas for holding up peace talks.

Away From Politics

Shoppers packed grocery stores in New Jersey after monthly food-stamp accounts were accidentally credited 11 days early because of an error resulting from an effort to fix year 2000 computer problems. The premature credit — about \$275 for a mother with two children — showed up in the accounts of the 90 percent of New Jersey welfare recipients who get their food stamps through electronic cards. (NYT)

Jury selection was beginning in the murder trial in Pontiac, Michigan, of Dr. Jack Kevorkian, the right-to-die activist who admitted giving a lethal injection to a terminally ill man last September. The doctor has admitted assisting in more than 130 suicides but said this was the first such injection he had administered himself. (Reuters)

A woman drowned after being trapped upside down in waist-deep water when a raft overturned at an amusement park in Arlington, Texas. Ten others were hurt. (AP)

U.S. military communications are dangerously vulnerable to attacks via computer, the National Research Council reported, calling for urgent changes in Defense Department policy. (AP)

Governor Joins Mayor's Critics In N.Y. Slaying of Immigrant

By Michael Cooper
New York Times Service

NEW YORK — With the grand jury investigation of the Amadou Diallo case wrapping up, and momentum gathering behind protests over the slaying of the West African immigrant in a hail of police gunfire, Governor George Pataki has described the case as horrific and suggested that the administration of Mayor Rudolph Giuliani was not "responding appropriately to criticism" over the matter.

Mr. Diallo, who was from Guinea, was killed Feb. 4 in the vestibule of his apartment in the Bronx by four undercover officers from the Police Department's Street Crimes Unit. Mr. Diallo, 22, was unarmed and had no criminal record.

The incident has led to continuing protests, including almost daily acts of civil disobedience outside police headquarters in lower Manhattan, including the arrest of former Mayor David Dinkins.

Last week, Mr. Giuliani denounced those protests as "publicity stunts" and said that they were getting "silly."

In his most pointed comments on the Diallo case to date, Mr. Pataki said Sunday that the shooting had created an understandable sense of moral outrage.

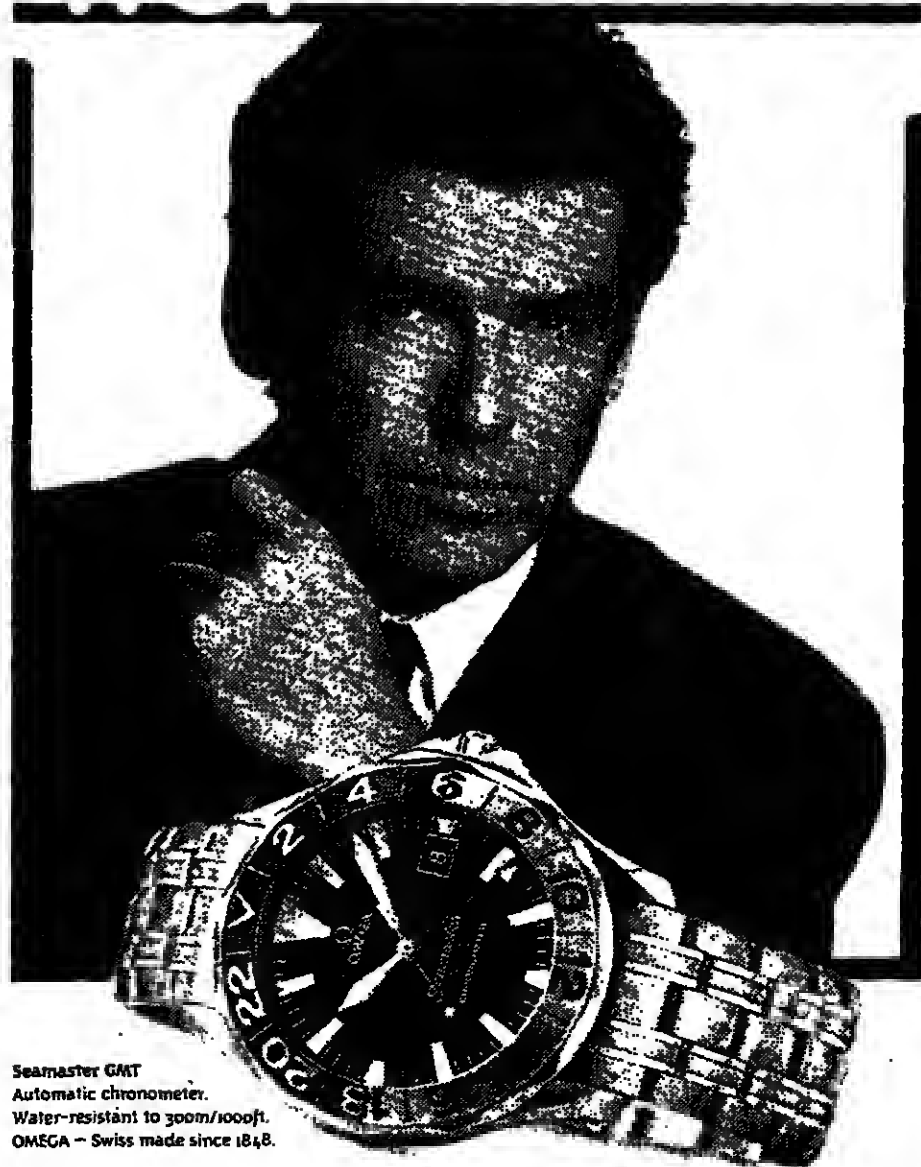
"The mayor has done an excellent job on issues like crime," he said, "and the police have done an excellent job, but the Diallo incident was so horrendous and so horrific that it has created a sense of moral outrage, an understandable sense of moral outrage where all of us have to take a look."

In a clear reference to the mayor's caustic response to the protests, the governor added, "I think the city is doing very well, but part of governing is being tolerant and listening to criticism and responding appropriately to criticism."

Asked about the governor's comments, Mr. Giuliani, who was in Phoenix, Arizona, for a speaking engagement, said: "I haven't seen exactly what the governor said. I think the New York City Police Department conducts itself appropriately and has an excellent record of restraint which, unfortunately, is not getting the attention that it deserves."

The governor's criticism capped a week in which the Police Department and the Giuliani administration came under increasing fire. Representative Charles Rangel, Democrat of New York, was among those arrested to protest the shooting, and Eliot Spitzer, the state attorney general, announced a civil rights inquiry into the Police Department's stop-and-frisk practices.

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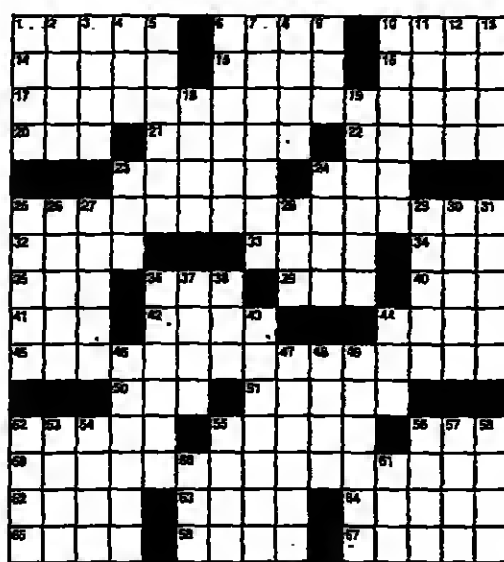
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CROSSWORD

- ACROSS**
- 1 Aristocrats' predecessors
 - 6 Gunstinger's command
 - 10 "Oh, my!"
 - 14 Hooded snake
 - 15 Othello's false friend
 - 18 "I'm — you!"
 - 17 Start of a quip
 - 20 Summer shirt, informally
 - 21 Mellards' homes
 - 22 Metric volume
 - 23 Place for a 45
 - 24 Clinch, as a deal
 - 25 Part 2 of the quip
 - 26 Son of Venus
 - 27 Sift denial
 - 28 Old polit. cause
 - 29 Dossage unit
 - 30 Caribbean music
 - 31 Ovine utterance
 - 32 A major, maybe
 - 33 Hydrocarbon suffix
 - 34 Paris recreation area
 - 35 Lucy's partner
 - 36 Part 3 of the quip
 - 37 Entertainment
 - 38 Encumbrances
 - 39 One who grins and bears it
 - 40 Greek S
 - 41 Slog, e.g.

- DOWN**
- 1 "Out!"
 - 2 Baldardish
 - 3 Strong of body and mind
 - 4 Charlemagne's realm: Abbot
 - 5 Early Greek lyric poet
 - 6 Forcality stuff, as a throat
 - 7 Turkish general
 - 8 Took the trophy
 - 9 Chin beard
 - 10 — and for all
 - 11 Move
 - 12 Place for a run
 - 13 Warner Bros. creation
 - 14 Resort island off Naples
 - 15 Word in a price
 - 16 What
 - 17 The Terminator
 - 18 Yarnish
 - 19 Yarnish's neighbor
 - 20 E-mail need
 - 21 Play — with (climatic)
 - 22 Belgian composer
 - 23 Gallus
 - 24 Newspapers, with "the"
 - 25 "Don't mince words!"
 - 26 Oration
 - 27 Henry Kissinger biographer
 - 28 Marvin
 - 29 Canine cry
 - 30 Thickness
 - 31 Radio staff, for short
 - 32 On/off
 - 33 Tourist attractions
 - 34 Prefix with spherical
 - 35 Captivate
 - 36 Defraud
 - 37 It may be spun
 - 38 Half of binary code
 - 39 Disparagement
 - 40 — good example
 - 41 Oaf
 - 42 Conjectural
 - 43 Ethnic suffix
 - 44 "So — me!"



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Solution to Puzzle of March 22

LEIS ARTS CLIVER
ALOT MEAT OLIVE
MALT PURE SONJA
BLOND COMB HELL
FIRE SEA
BOW TENSPOT SRS
AVAST NCO ALIT
YELLOW SUBMARTINE
ONLY ORB TENSE
ISA KISUIT GEL
APE PRIM
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INTERNATIONAL

Serbian Troops Continue Ransacking and Burning Villages

By Carlotta Gall
New York Times Service

SRBICA, Yugoslavia — Serbian army and police forces continued ransacking and burning villages Monday, as the commander of the Kosovo Liberation Army accused the military of using more heavy weapons than ever before against his people.

Police troops set houses and farm buildings ablaze in the village of Poljanec, leaving a trail of dead cows and downed power lines, before pulling back to their base in Srbica.

"There are no terrorists here," said an officer leading out a column of 20 armored police jeeps packed with armed men. "It is all calm."

Almost every other house in Poljanec was on fire.

Flames leapt from the windows of houses beside the main road, while others were already scorched shells, still smoldering, their blackened rafters collapsed.

In the late afternoon, police troops in

camouflage and carrying automatic weapons, spare magazines strapped to their chests, walked wearily up the road and gathered at the top of the village.

Two dark blue armored troop carriers and a vehicle mounted with an anti-aircraft gun accompanied the column out of the burning village.

Police riding on top waved their guns, and raised a Serbian three-finger salute as they passed.

Further down the road two policemen walked away from a burning house and fired a burst of gunfire into the air.

With the fighting earlier in the week around Poljanec long over, the ransacking and burning appeared to be the principal activity of the Serbian troops.

The top commander of the Liberation Army, Sulejman Selimi, better known among fighters and villagers as "Sultan," said the Serbian military was using ground-to-ground missiles in large numbers and heavier tanks against villages in central Kosovo than ever before in the year-old war.

"They are using more modern weapons," Mr. Selimi said in an interview Monday. "The kind of tanks are more sophisticated and they are using new mortars — 120mm to 200mm — as well as ground-to-ground missiles."

Sitting in a two-story house high in the Drenica region, about 30 kilometers (18 miles) northwest of the provincial capital, Pristina, Mr. Selimi has a view of all the nearby villages.

Monday morning missiles being fired from a multiple rocket launcher were audible. Smoke rose from Poljanec and another village further south as the missiles hit.

Mr. Selimi said Serbian forces Sunday fired powerful ground-to-ground missiles from positions near Istok, 40 kilometers away near the provincial border with Montenegro.

Three hit the village of Likovac, where the Liberation headquarters is based, but landed harmlessly in a field, Mr. Selimi said.

A doctor from the humanitarian organization Medecins du Monde who runs a mobile clinic in a nearby village

confirmed that mortars were hitting civilian areas.

He said he had treated two civilians wounded by mortar fire Sunday in a nearby village.

The fighting in recent weeks has been some of the heaviest since last summer. Mr. Selimi said he had lost 47 men in the last three weeks.

He said he believed the Serbs suffered casualties as well, adding that his forces had knocked out three Serbian tanks in a battle for the village of Prekatz on Saturday in fierce fighting.

The Liberation Army engaged the Serbs within 30 yards of the village before making their escape.

Mr. Selimi's strategy was to try to defend villages as long as possible to deter the Serbs or delay their advance.

But he acknowledged that his nascent army was in no position to compete equally with Serbian forces, with their wealth of armor and heavy guns.

"This is a regular army, not a guerrilla one, so we try to hold positions as long as we can," he said. "But in the end the

most important thing is not to lose any men."

The office of the UN High Commissioner for Refugees estimates that 40,000 people have fled their homes in the last week alone and 20,000 over the last two days, according to Fernando del Mundo, the agency's spokesman in Kosovo.

Virtually all the refugees are from the Drenica region, fleeing as the Serbian military operation has grown in breadth and intensity.

Mr. del Mundo said he had counted 1,000 refugees traveling in 20 trucks and trailers along one muddy back road.

The people had fled eight different villages in western Drenica. Hundreds more were still trying to escape Srbica as their houses were being set afire.

"It is a replay of last summer," Mr. del Mundo said, recalling the huge offensive of July and August, which eventually forced more than 100,000 people to flee their homes throughout Kosovo and take shelter in the woods and mountains.

New Attacks Dim Support By Russians

By Michael R. Gordon
New York Times Service

MOSCOW — Serbia's latest offensive in Kosovo is leading some of Russia's top foreign policy specialists to question Moscow's long-standing support for Belgrade.

With Prime Minister Yevgeni Primakov set to leave on Tuesday for Washington, Russia's top priority is to wrest billions of dollars in fresh credits from the International Monetary Fund, not argue over the Balkans.

Given the economic stakes, the decision by President Slobodan Milosevic to press the attack against the Kosovo Albanians is more than a matter of bad timing. To an increasing number of Russian experts, it underscores Belgrade's indifference to the Primakov mission.

Within the Russian government, senior officials talk quietly about their deep "frustration" with Mr. Milosevic. Some leading lawmakers are more vocal.

"We have invested too much into this problem," Vladimir Lukin, the leader of the Parliament's Foreign Relations Committee said on Russian television Sunday. "We must know the limits of our support."

None of this means that Russia would welcome a NATO bombing strike.

Moscow's long-range goal is to diminish the military and political unity of the Western alliance.

Nationalist sentiment at home further demands that the Kremlin give their fellow Slavs in Yugoslavia a measure of rhetorical support, even though many ordinary Russians do not identify with the Serbian cause.

Russia had hoped to negotiate a political solution that would obviate the need for NATO action. When he served as foreign minister, Mr. Primakov put Russia's prestige on the line by inviting Mr. Milosevic to Moscow last summer for a widely publicized series of talks.

But these days Belgrade does not seem to be listening to Moscow's counsel.

The Serbs, in fact, may have timed their attacks against the Kosovo Albanians to coincide with Mr. Primakov's mission to Washington, calculating that NATO would be reluctant to strike when Mr. Primakov is in the United States.

That fact that a NATO attack might sour the atmosphere in Washington does not seem to have mattered much in Belgrade.

And if Russia's influence with Mr. Milosevic has dwindled, it seems to have reached a low point with NATO.

The alliance appears to have concluded that it must take action soon if the Serb attacks continue in order to salvage its own credibility, regardless of what the Russians think.

Serbs Reported Executing Kosovars

Special Forces Units Search Door-to-Door for Suspected Guerrillas

By R. Jeffrey Smith
and Peter Finn
Washington Post Service

SRBICA, Yugoslavia — Yugoslav special forces units, searching door-to-door over the weekend in Kosovo for supporters of the ethnic Albanian separatists, seized and executed 10 men in this town on Saturday, including a father and his four sons, witnesses said.

The reported executions — supported by physical evidence at two locations — were among many signs of the toll of a two-day Serbian offensive against rebels in central Kosovo.

According to the accounts of three witnesses in Srbica, a town of 20,000

residents, special forces detained Ali Gashi, his four sons and also three neighbors and marched the men, their hands clasped behind their heads, at gunpoint up a hill overlooking the city and then into a gulch.

After a 20-minute discussion among the troops, witnesses said, five of them shot the men.

The witnesses said a unit of Interior Ministry troops, wearing surgical gloves, removed the bodies.

On Monday, pools of blood and bits of skull and brain matter were still splashed across mud and leaves at the site. A surgical glove lay nearby.

Other witnesses recounted the execution Saturday of two other men —

Mohammed Fazila, 29, and his cousin, Musli Fazila, 23 — in a nearby farmyard after special forces found them hiding in a house of relatives.

The men and their families had fled the shelling of their home village to the east of Srbica a week ago. According to three witnesses, the men were shot in the head as they stood with their arms raised.

Villagers from across the region gave accounts of harassment and beatings indicating that the Belgrade regime's rhetoric about standing up to the North Atlantic Treaty Organization has percolated to the lowest ranks of the military.

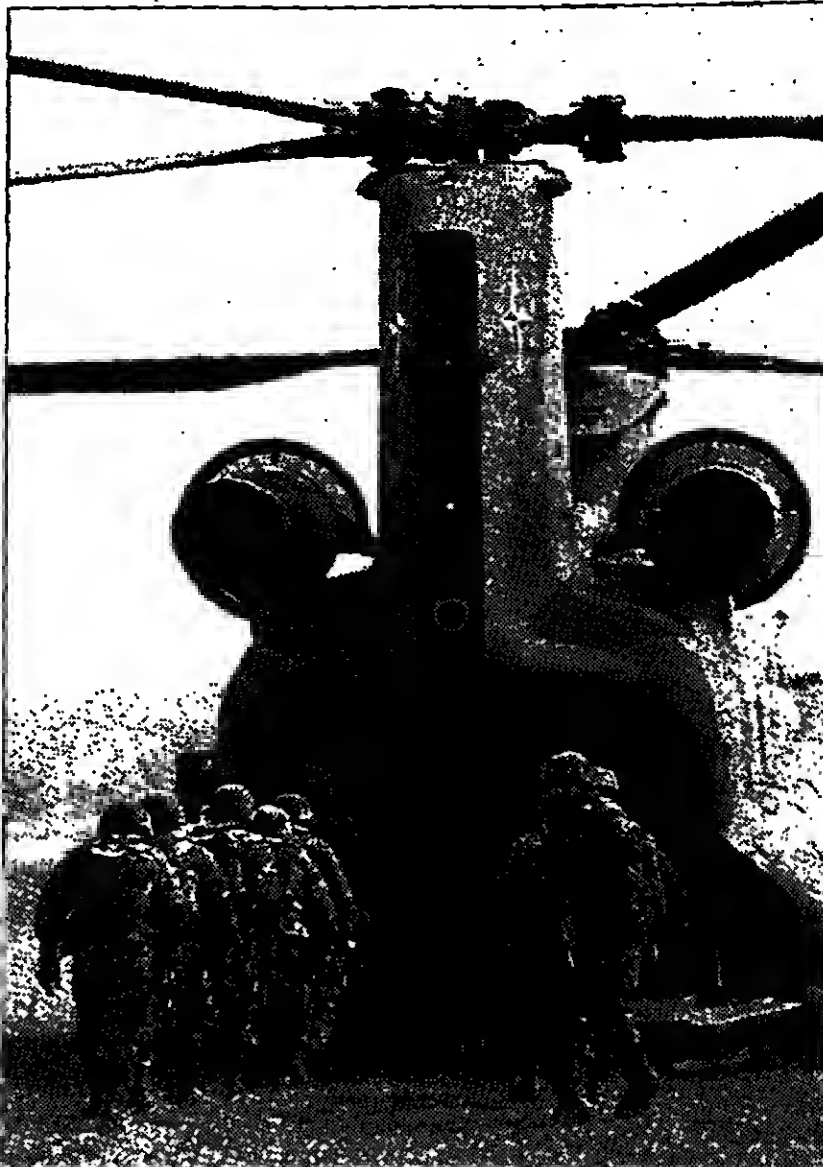
A 16-year-old boy from the destroyed village of Lausa and an 18-year-old from Srbica, who fled to Mitrovica on Sunday, said they were arrested and beaten by troops at the Srbica police station. They said the troops taunted them, asking: "Where is NATO for you now? Where are your foreign cease-fire verifiers?"

The youths, among an estimated 200 males arrested in Srbica, said the troops cursed President Bill Clinton.

An ethnic Albanian rebel commander, encountered on a highway near Srbica, said that some civilians who fled the area reported they had been told to "leave for Albania and look for Americans to protect you."

A 13-year-old girl in Srbica watched as her brother and mother were beaten by soldiers who threatened to "massacre you" and "burn you all."

The present assault differs from previous fighting in one respect. Army units, which previously kept clear of some of the heaviest fighting in Kosovo, are now paired with Interior Ministry units. The army's engagement appears to reflect a new and more compliant army command installed by President Slobodan Milosevic at the end of 1998.



Italian troops with the NATO contingent in Macedonia boarding a helicopter on Monday as the allies continued to maneuver their forces.

KOSOVO: Clinton Issues a Grave Warning

Continued from Page 1

ligans who don't know what either history or dignity means," it said. "Belgrade is tolerant but not stupid."

■ A Final Mission to Belgrade

Craig R. Whitney of The New York Times reported from Brussels:

Mr. Holbrooke, discussing his mission to hold last-ditch talks with President Milosevic, said: "We are going to Belgrade under instructions from the secretary of state and the president to talk, but not to talk while the fighting gets worse and the rampage continues."

He spoke after he conferred in Brussels with Mr. Solana and the allies' top military commander, General Wesley Clark, to prepare for his talks with Mr. Milosevic. "We think this is the moment of truth," Mr. Solana said. "Mr. Holbrooke has everything he needs from NATO."

Mr. Holbrooke said he also received full backing from Mr. Vedrine and Mr. Cook, co-chairmen of the Paris talks on Kosovo, in a breakfast meeting with them and the German foreign minister, Joschka Fischer, on Monday.

If Mr. Holbrooke succeeds in his mission, then threats will have been enough, and the allies will not be forced to break with Russia, which has been trying to find a diplomatic solution to the Kosovo crisis for the last year.

Mr. Solana is not expected to authorize any attacks until after Mr. Holbrooke and international mediators report on the outcome of their talks.

President Clinton and the European leaders most closely concerned with Kosovo, a ranking adviser in a European capital said the other day, were wrestling with the worst dilemma they have faced in the Balkans: If the threat of bombing

cannot stop Serbian forces from attacking rebels on their own territory in Kosovo, carrying out bombing threats might provoke even more Serbian violence against the ethnic Albanian majority in the province instead of making the peace agreement possible.

Seeing the Western leaders agonizing over their decision, Mr. Milosevic has now had four full days since the Paris peace talks on the province broke down last week to send thousands of heavily armed Serbian troops into Kosovo to try to destroy the rebellion.

Alliance officials said Monday that intelligence reports showed that 3,000 to 5,000 Serbian troops with tanks and other armored vehicles were moving toward Pristina, the capital of Kosovo, from Montenegro, which with Serbia constitutes what remains of Yugoslavia.

A similar force was moving south toward the province from Serbia, a NATO official said, to reinforce the 40,000 Yugoslav Army troops and Interior Ministry police officers that began an offensive against Kosovo Liberation Army base areas after the talks broke down.

The Clinton administration has sought to broaden the authority that Mr. Solana already had to send an initial barrage of unpiloted cruise missiles against selected Serbian military targets, followed by a campaign to destroy anti-aircraft missile launching sites and other air defense installations. With no sign of a pause in the Serbian offensive, the allies agreed to let Mr. Solana broaden the range of air operations if necessary, subject to further consultations with allied leaders.

Alliance officials said Mr. Solana could now approve intense, punishing strikes by more than 400 American, British and French warplanes against Serbian forces in Kosovo.

RIYADH: U.S. Air Strikes Against Iraq Start to Annoy Saudis

Continued from Page 1

ficial said that his government had obtained information suggesting that the recent U.S.-led attacks had "substantially weakened" the Iraqi leader, and made it "much more likely" that segments of the Iraqi military might attempt to topple him.

A U.S. military spokesman in Saudi Arabia said he could not discuss whether the U.S. aircraft in Saudi Arabia were operating under different constraints than those elsewhere in the region. He also would not say whether U.S. planes based in Saudi Arabia had taken part in any of the recent strikes on Iraq.

"All I am prepared to say that we've had good cooperation from all the host nations," said the spokesman, Captain Michael Shavers.

Saudi Arabia was the base for the U.S.-led military operations that drove Iraq from Kuwait in the Gulf War of 1991, and at least 60 F-16s and F-15s are currently at Saudi bases.

Saudi officials who agreed to discuss the issue would do so only on condition of not being identified by name.

But their willingness to speak even anonymously may have been prompted by a propaganda assault from Iraq, which has denounced Saudi Arabia and Kuwait for what Baghdad officials have

called complicity in the U.S.-led attacks.

In January, President Saddam called on Arabs in the region to rise up against governments that he portrayed as "stooges" of the United States.

At the United Nations last week, Abdulrahman Ahmed, chargé d'affaires at the Saudi mission, issued a letter that dismissed Iraqi allegations about the use of Saudi territory as a base for military strikes as "completely gratuitous and unfounded."

Saudi Arabia consistently has refused to allow U.S. combat planes based in the kingdom to join in any new overt military campaign against Iraq.

STRIKES: U.S. Is Feared to Be Putting Excess Strain on Military

Continued from Page 1

we will continue to meet our commitment to NATO." U.S. military doctrine is fashioned around a proclaimed ability to fight two major regional conflicts nearly simultaneously — such as a Desert Storm-type operation and a war on the Korean Peninsula.

Analysts acknowledge that the U.S. commitments in the Gulf and the Balkans fall below that level.

But it is unclear, they said, that the military could actually meet the two-war objective, and its present involvements make that even more uncertain.

The Kosovo and Gulf operations, Mr. Anderson said, "undermine our stated ability to prosecute midlevel regional conflicts."

"We would be hard pressed today to mount an operation on the size of Desert

Storm — that would be very difficult — yet we're claiming we can do two nearly simultaneous wars. That's bluffing."

The United States has more than 200 aircraft in Europe for its Balkan operations, the largest single component of a NATO total of about 400 planes.

There are about 6,200 U.S. troops in the Balkans, including 350 in Macedonia, which borders on Kosovo.

The Pentagon has said that a NATO peacekeeping force for Kosovo would include about 4,000 U.S. troops.

There are now roughly 23,400 U.S. military personnel in the Gulf region, 13,300 of them on ships.

About 25 U.S. warplanes are involved in enforcing the flight-exclusion zone over northern Iraq; about 100 police the skies of southern Iraq.

"These operations — in Iraq and

Kosovo — these we can handle," said William Taylor, director of political-military studies at the Center for Strategic and International Studies in Washington. "But we are overstretching our pilots. It's the flying time that is the problem."

In the short term, Mr. Taylor said, morale is good.

His institution is undertaking a major study of U.S. troop attitudes and has found high levels of patriotism and readiness for combat.

Today's military is far different from that of World War II, he said.

About 62 percent of troops are married now, nearly three times the earlier rate, and wives, Mr. Taylor said, "are getting fed up with the length of deployment for operations that are not war, where there's no great threat out there."

In Egypt, Mrs. Clinton Avoids No. 1 Issue

Reuters

CAIRO — As speculation about a possible bid for the U.S. Senate by Hillary Rodham Clinton reached the old bazaars of Egypt, she left everyone here on Monday noose the wiser about her plans.

Answering questions on the issue for the first time, she said:

"I do know that I want to continue speaking out on behalf of the issues that I've spent more than 25 years working on. But the form that will take I really can't predict at this time."

Mrs. Clinton spoke after a delivering an address at a surgery center she was visiting. It was the second day of a 12-day tour through North Africa to promote social issues and ties with the Islamic world.

Before an audience of health workers and government officials, the first lady took the rare step of answering a handful of questions from reporters, almost all of which were about her rumored Senate plans.

"I've talked to a lot of people in the last month and I will continue that when I return home," she said.

"But right now I want to focus on the issues that are really at the base of this very important partnership and friendship between the United States and Egypt."

The comments on politics were her first since she acknowledged in a written statement in February that she was considering a run for a New York Senate seat in the year 2000. She has energetically consulted political advisers on the advisability of such a move.



Environment Minister Juergen Trittin, right, and a fellow Green in Bonn on Monday.

GERMANY: 'Red-Green' Coalition Tension Is Growing

Continued from Page 1

ernment of which he is a part.

"Red-Green as a reform project is dead," Mr. Trittin told Stern magazine last week, adding that he saw the Social Democrats as virtually indistinguishable now from the Christian Democrats of former Chancellor Helmut Kohl. He added that the Greens might even consider future political alliances with the Christian Democrats.

These extraordinary comments, later played down by Mr. Schroeder, were made before Mr. Trittin pulled out his newspaper in the cabinet meeting. The chancellor, who has been touring European capitals, was not present at the meeting, which was chaired by Mr. Fischer as deputy

chancellor. The approach to government taken by these two men illustrates the tensions within the Greens party, of which they are both members.

While Mr. Fischer has proved generally pragmatic, Mr. Trittin has brought to governing the fervor and idealism that were strengths of the party in opposition. But those qualities are hard to square with the day-to-day grind of getting anything done in Germany.

When Mr. Trittin raised his newspaper, Mr. Fischer was in the midst of a presentation of foreign policy, said the minister who observed the scene and spoke on condition of anonymity.

"Fischer whistled sharply, and Trittin put his paper down," he said. Speculation is now widespread

that Mr. Trittin may follow Mr. Lafontaine's example and resign.

But the Greens, having never before tasted power, are becoming attached to it, and Mr. Trittin may swallow his misgivings and hang on.

Mr. Schroeder is clearly anxious to avoid further disruption. The press here has been busy calling him "the lifestyle chancellor," a reference to his frequent appearances at fashionable parties and on talk shows. He badly needs a solid political success to bolster his image.

This week, at a European Union summit meeting in Berlin, he will try to secure that lift through an agreement on reform of EU finances that would slowly cut Germany's huge contribution.

Hostage for 6 Years, Terry Anderson Files Lawsuit Against Iran

The Associated Press

ATHENS, Ohio — Almost exactly 14 years since the day he was taken hostage in Lebanon, Terry Anderson and his family acted on Monday to file a \$100 million lawsuit against Iran.

The former correspondent of The Associated Press says that Iran sponsored the captors who kept him blindfolded and chained for more than six years.

Similar lawsuits became possible only in recent years, and at least three have won millions of dollars in judgments. Mr. Anderson is now 51.

But like the other plaintiffs, he also expects his lawsuit to become a challenge to the U.S. government.

The Clinton administration has thwarted claimants from collecting millions of dollars awarded by U.S. courts, even though the damage claims are against countries the State Department labels as sponsors of terrorism.

In October, the president issued a blanket waiver of a requirement that federal agencies help obtain that money.

"Much of our argument is likely to be with the U.S. government, rather than the Iranian government," Mr. Anderson said in an interview at his home about 10 miles outside Athens, where he teaches journalism at Ohio University.

"The law says that the U.S. government is supposed to help us in pressing our claim," said Mr. Anderson. Confident of winning a judgment against Iran, he said "the biggest obstacle to our receiving any money is the White House."

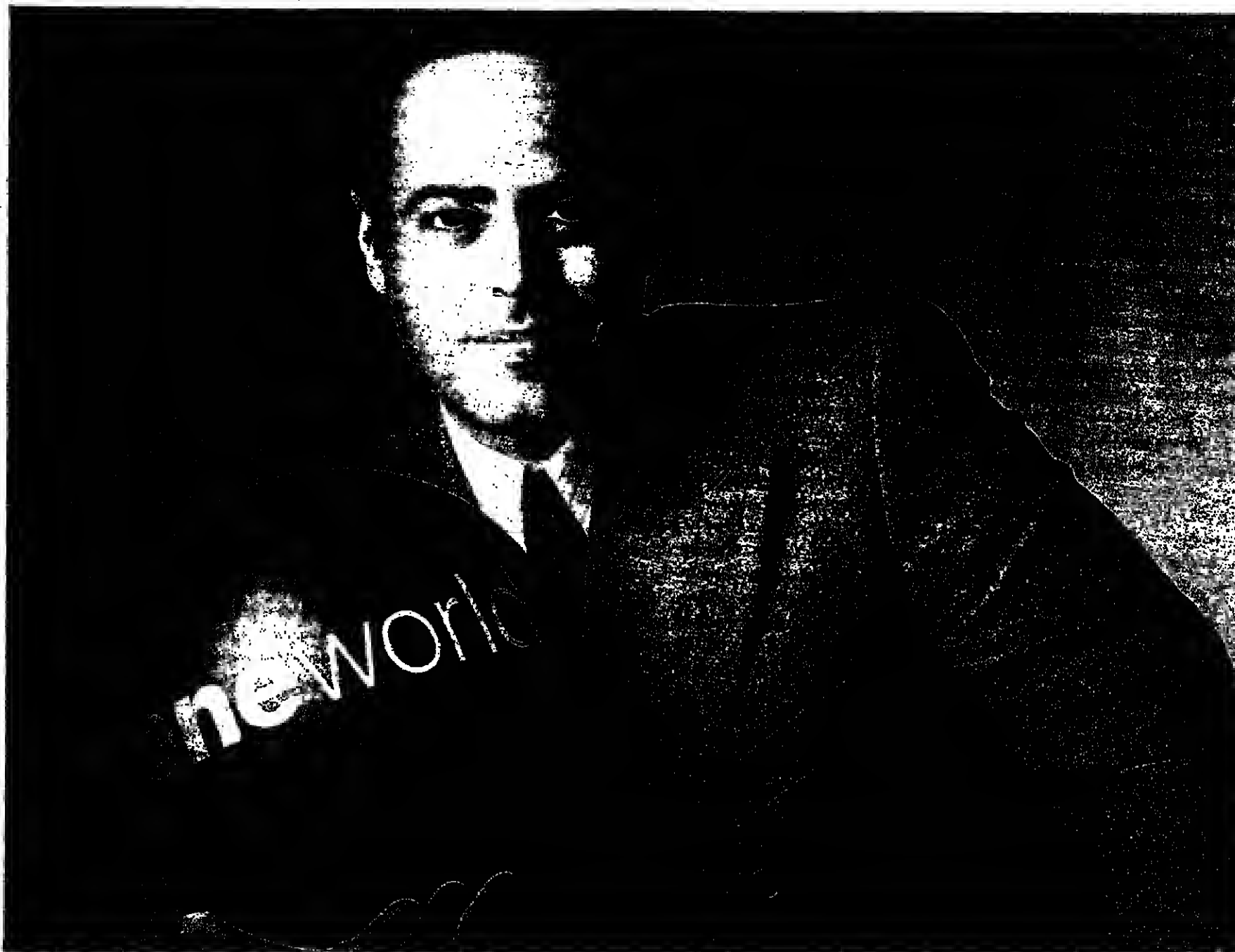
The lawsuit also names as plaintiffs Mr. Anderson's wife, Madeleine Bassil, 49, and their daughter, Solomea, who seek redress for emotional distress and their long separation.

Solomea, 13, was born three months after her father, then AP chief Middle East correspondent, was taken captive in Beirut on March 16, 1983, as he returned from a morning game of tennis.

Held longer than any other American in Lebanon, he was freed 2,454 days later, on Dec. 4, 1991. The family is seeking compensatory damages and unspecified punitive damages.

Named as defendants are the Islamic Republic of Iran and its Ministry of Information and Security.

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ASIA/PACIFIC

Rivals Trade Prisoners on Subcontinent

The Associated Press

WAGHA, Pakistan — Pakistan and India exchanged civilian prisoners Monday for the first time since 1991 as a part of efforts to improve relations.

Among the prisoners who crossed the border were two children who had spent the last three years in jail in Pakistan, along with their father, Ashok Kumar. The younger child was 4 years old.

Since the two countries exploded nuclear devices last year, the international community has been urging them to take confidence-building steps and reduce tension.

The first prisoners to be released across the border were 14 Indian nationals, including Mr. Kumar and his two children. Some of the prisoners had been in Pakistani prisons for as long as nine years.

India handed over 43 Pakistani prisoners, many of whom said they were farmers tending land that borders India and claimed they had been on Pakistani soil when detained by the Indian authorities.

Mr. Kumar, from Calcutta, said he and his children had been arrested when they tried to cross into Pakistan in search of work. "I had to bring the children because there was no food at home," he said before stepping across the border into India.

Jaffar Hussein said he had farmed land in Nariwal, which borders India. He was arrested in 1995 from his fields in Pakistan. "I wasn't doing anything but farming," he said.

He added that the Indian authorities had accused him of working for Pakistani intelligence agencies, a charge he denied, and he said he had been mistreated in prison.

Abdul Rashid Ansari, 59, who came to Pakistan in 1981 in search of work, was arrested in the southern port of Karachi in 1992 and thrown in a hospital for the mentally handicapped.

"For two years I was kept in this one room with two men who were patients there," he said.

He said he was later transferred to a Karachi prison but never charged with any crime.

Prime Minister Atal Bihari Vajpayee of India and Prime Minister Nawaz Sharif of Pakistan agreed to exchange prisoners in talks last month after Mr. Vajpayee inaugurated the first bus service between the two countries.



Pakistani prisoners released by India praying Monday after crossing the border. Forty-three Pakistanis and 14 Indians were freed.

Ready or Not, Macau Awaits Chinese Rule

By Mark Landler
New York Times Service

MACAU — In less than nine months, this postage-stamp Portuguese colony will be absorbed into China. And its 502,000 recorded residents, most of whom are Chinese, have few illusions about which side is calling the shots in the long, twilight transition to Beijing rule.

Still, the president of Portugal, Jorge Sampaio, served notice Monday that Macau's colonial rulers would not go quietly. Mr. Sampaio said he was prepared to boycott the handover next December to protest China's handling of the transition, particularly its decision to send troops.

"I want to be here with my face looking up," he said. "I will not be here with my face looking down, because we are a country with pride."

Mr. Sampaio said that the joint declaration governing Macau's return to China did not permit Beijing to station troops in the colony and that Chinese officials had not justified their decision to depart from the agreement.

"If there is to be a change, there has to be an explanation," he said. "We don't think the explanation has been satisfactory."

The Portuguese leader's remarks came in a meeting with foreign journalists at the end of his five-day visit

here. Mr. Sampaio's trip was supposed to generate goodwill between Portugal and China in the waning days of Portuguese rule. But with the two countries at loggerheads, Macau's handover may end up being as acrimonious as its that of its more prominent neighbor, Hong Kong.

Mr. Sampaio met Friday with the Chinese deputy prime minister, Qian Qichen. But he said he had not raised the issue of troops because he believed the dispute should be settled in bilateral talks between the countries this year.

"We are not being belligerent," Mr. Sampaio said several times. "We are waiting for an explanation."

China insists it has the right to deploy soldiers because it will be responsible for Macau's national security after Dec. 19. Although Beijing has not said so explicitly, people here suspect the troops will crack down on gangs, which are waging a bloody war for control of Macau's lucrative gambling trade.

After a rash of shootings in the enclave, Chinese officials expressed concern that security was breaking down. During his visit here last week, Mr. Qian said Beijing would send an advance guard of the People's Liberation Army even before the handover to establish a garrison.

Such a move would mimic what China did in Hong Kong in 1997.

BRIEFLY

Ease Up on China, Perry Warns

HONG KONG — Former Defense Secretary William Perry of the United States warned Monday that growing anti-China rhetoric in Washington posed one of the greatest risks to security in the Asia-Pacific region.

Mr. Perry said during a visit here that the Chinese-U.S. relationship was at its most worrisome in many years. "I cannot point to a time in recent history when I was more concerned about the U.S.-China relationship, based on what is going on in Washington today," Mr. Perry told the Asia Society.

"Above all," he said, "I would like to see a moderation of the rhetoric that persists in referring to China as an enemy. If we treat China as an enemy, it will surely become one."

Opposition to the U.S. policy of China engagement seems to be growing and could yet gain ascendancy, destroying a pillar of Asian stability and security over the past two decades, he said. (Reuters)

Storm Hits Northwest Australia

PERTH, Australia — A hurricane left a trail of destruction along Australia's northwest coast Monday, with winds of 225 kilometers (140 miles) an hour ravaging towns, closing ports and halting mining operations. A 47-year-old man was missing and presumed dead after refusing to evacuate from an area at the base of the Exmouth Gulf, near where the hurricane made landfall Monday morning.

When it hit shore at 235 kilometers an hour, the storm, designated Vance, was classed a Category 5 cyclone, the most powerful level. It lost some force once over land and was reclassified as a Category 4 by evening. Cyclone is the term used for a hurricane in the Indian Ocean.

The town of Exmouth, 1,250 kilometers northwest of Perth, bore the brunt of the damage, with 112 homes destroyed and a trailer park flattened. At Onslow, 130 kilometers northeast of Exmouth, half of the 840 residents were evacuated and there were reports of widespread flooding and property damage. (AP)

Beijing-Manila Talks on Isles

MANILA — The Philippines and China opened two days of talks Monday to find ways to resolve their territorial dispute over islands in the South China Sea.

The two sides discussed a Chinese proposal for joint use of structures that China has built on Mischief Reef, an area in the Spratly Islands claimed by both countries. But at the end of the first day of talks, Chinese officials told Philippine officials that Filipinos could not yet use the facility because construction had not been completed, said Lauro Baja, the Philippine foreign undersecretary.

The Philippines has demanded that China dismantle the structures. (AP)

4 Arrested in Cambodia Attacks

PHNOM PENH — The Cambodian police said Monday that they had arrested four men in connection with grenade attacks on ethnic Vietnamese that killed one person and wounded dozens.

Ek Keth, a police colonel, said there had been at least seven grenade attacks in Phnom Penh this year, most of them targeting ethnic Vietnamese. (Reuters)

Indonesian Army Tries to Halt Borneo Carnage

Compiled by Our Staff From Dispatches

PONTIANAK, Indonesia — A week of savage ethnic clashes in Indonesian parts of Borneo island has killed at least 114 people and forced thousands to seek safety in the provincial capital, the police said Monday.

More than 12,000 people have crowded into Pontianak to escape the violence to the north in Sambas district, local officials said.

The Indonesian armed forces commander, General Wiranto, said in Jakarta that the military was trying to prevent the violence from spreading to other parts of the vast island.

The armed forces are strengthening their personnel in the field, the

general said in a statement. "Please do not exploit this problem for political interests," he added.

Security forces were sweeping affected areas and checking people for weapons, officials said. Many of the clashes have been fought with crude weapons such as spears and machetes.

The conflict has pitted the region's indigenous peoples against recent migrants from Madura island, off eastern Java. There have been reports of rampant bloodletting, decapitations and even cannibalism.

Groups of Malays and indigenous Dayak tribes, armed with machetes, spears and old rifles, have reportedly been rampaging across the area, torching houses left by fleeing

Madurese settlers by land and boat.

Armed men have combed the rice fields in Setimuhuk, in the Selakan subdistrict, looking for Madurese settlers blocked from fleeing the area. Other groups of attackers have set fire to empty houses in the Madurese settlement there.

Hostile groups of Malays and Dayaks surrounded some 5,000 Madurese trapped in a forest in the Tebas subdistrict, the Media Indonesia daily said.

Faced with the terror, the military has begun a mass evacuation for the poor immigrants from the overpopulated island of Madura, whose arrival has sparked tensions with the indigenous peoples.

A provincial police official, Lieu-

tenant Colonel Tukiman, said Monday that "14 dead people with knife wounds have been found by the security forces."

About 1,300 police and military personnel were ready to quell the unrest, said Aspar Aswin, the provincial governor, on the private television station SCTV.

But residents said Monday that things were quieter in the affected area. "There was no clash last night," said a resident from Pemangkat town. "However, the situation is still tense."

Some of the ethnic groups have started to wear colored headbands to identify themselves, yellow for ethnic Malays and red for Dayaks, witnesses said. (Reuters, AFP)

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مكتبة الأمل

EUROPE

EU Leaders Will Deal With Commission Crisis at Berlin Talks, Germany Says

By Barry James
International Herald Tribune

BRUSSELS — Foreign Minister Joschka Fischer of Germany assured the European Parliament on Monday night that government leaders at a summit meeting in Berlin this week would seek to define procedures for the nomination of a new European Commission and possibly also name a candidate.

He promised that governments would propose the name of a candidate for the presidency of the commission for confirmation at its next plenary session in April.

With the backing of France, Germany, Italy, Britain and Spain, former Prime Minister Romano Prodi of Italy was the clear front-runner.

Mr. Fischer was responding to overwhelming pressure in the assembly for the immediate replacement of the present commission, led by Jacques Santer.

The commission resigned last week in the face of a scathing report on corruption, fraud and

nepotism. Although the report slammed the commission for mismanagement and lack of responsibility, Mr. Santer addressed the Parliament in an unrepentant mood.

"I regret that in the turbulence of the last few weeks, there has not been more attention paid to the reforms we have already set in motion," he said. "But perhaps it is an inevitable fact of history that crises often strike not when things get worse but when they start getting better."

Members of Parliament demanded that the new commission president be named under the rules of the Treaty of Amsterdam, due to come into force in June, which would give the new chief executive the right to choose his own commissioners. The 20 members of the commission are currently named directly by governments, and cannot be individually removed, although Parliament can fire the commission as a body.

If Mr. Prodi or another candidate is nominated immediately and confirmed by the Parliament in

April, he could present a commission to the Parliament in May. But some members of the assembly said it would be necessary to hold another round of confirmation hearings after a new Parliament is elected in Europe-wide elections in June. Mr. Prodi has said he would accept the job only if it were offered to him for a full term, without conditions, and with the support of

It may be a fact of history that 'crises often strike not when things get worse but when they start getting better.'

all governments.

Wilfried Martens, the head of the Christian Democratic group, told Mr. Fischer that the European Council, the Brussels-based body that directly represents the member governments, was partly to blame for the political crisis because it had ignored the increasing accusations of cor-

ruption in the commission. The report that toppled the commission was a preliminary document, and the committee of experts is continuing its inquiries into practices at lower levels in the executive.

Mr. Fischer warned that the "sorry errors" brought to light in the report — mismanagement, lack of responsibility and nepotism in the case of one commissioner, Edith Cresson of France — should not be allowed to discredit the executive, which was the key initiator and motor of European integration. He praised the commission for its work in introducing a single currency and preparing the ground for the enlargement of the Union to 26 members from 15.

Mr. Santer said the next commission must demand the resources to carry out the tasks assigned to it, "whatever the political pressure." Commissioners argue that the constant augmentation of tasks by the government meant that they have to farm out the work to outside agencies, where much of the mismanagement occurred.

Mr. Santer also said the demand for responsibility should apply to all EU institutions, including the Parliament.

The leader of the assembly's Liberal group, Pat Cox, warned that the Parliament itself was vulnerable to accusations about fiddling expenses, lack of openness and what he called "Berlétismo." René Berletot is the name of the small-town dentist to whom Mrs. Cresson gave a \$160,000 commission contract for scientific work that the investigating committee found worthless.

The Parliament was scheduled to vote Tuesday on a series of motions.

The three largest parliamentary groups, the Socialists, Christian Democrats and Liberals, all demanded that a new commission be appointed as quickly as possible to complete the nine-month unexpired balance of the present executive.

There was little sentiment for keeping in office a body led by Mr. Santer and including Mrs. Cresson.

Turk Deflects Censure, But the Turmoil Persists

By Stephen Kinzer
New York Times Service

ISTANBUL — The government barely survived a censure motion Monday, but the vote did little to calm a political scene that remains highly turbulent less than four weeks before scheduled national elections.

Parliament voted, 241 to 236, against the motion to censure Prime Minister Bulent Ecevit.

It was the latest twist in a series of bizarre maneuvers that have led many Turks to new levels of disillusion with electoral politics. There have been intense rounds of secret political deal-making, fisticuffs on the floor of Parliament, threats to cancel the election, several political betrayals, and finally a warning from the country's top general effectively telling the Parliament what it should and should not do.

This political turmoil has come against a backdrop of terrorist attacks following the arrest of Abdullah Ocalan, leader of the principal Kurdish guerrilla group. The attacks have killed more than 20 people.

The chain of events began when a group of about 100 members of Parliament, angry that autocratic party lead-

ers had not named them as candidates for re-election, announced that they would seek to call Parliament back into session from its pre-election recess. They succeeded with help from the Islamic-oriented Virtue party.

Virtue is leading in most opinion surveys and is expected to do well no matter when the election is held. It agreed to support the move for a postponement on condition that the "frustrated ones," as the angry deputies are called, agree to vote for measures they favor.

Virtue members want to lift a political ban on their leader, former Prime Minister Necmettin Erbakan, and repeal the law under which other members of their party have been indicted and convicted.

The law, known as Article 312, is a loosely worded prohibition against statements "provoking the people to hatred and division on the basis of difference of religion, language, race or sect."

Under its provisions, the former mayor of Istanbul, Recep Tayyip Erdogan, who was convicted of reading a poem judged to be an incitement to rebellion, is to enter prison later this month. Akin Birdal, the leader of one of the country's biggest human rights groups, is also facing a prison term after being convicted of violating the law.

Powerful military officers consider Article 312 vital to their fight against what they describe as separatism and Islamic fundamentalism. Last week the top military commander, General Ilsemin Kivrikoglu, issued what amounted to a directive to Parliament not to cancel the April 18 election and not to repeal Article 312.

"Modifying Article 312 could increase the fundamentalist threat," General Kivrikoglu said. "The country would not be able to tolerate that sort of thing. It would lead to chaos."

The general also said, "We believe it is in the interests of the country to hold the elections as scheduled."

When Turkish generals speak so clearly, Parliament normally bows to their will. It was expected to do so in this case, especially following the defeat of the censure motion Monday.

Military commanders and their civilian allies consider the Virtue Party's attempt to amend Article 312 as a facade behind which Virtue seeks to impose fundamentalist rule. A prosecutor said Monday that he would begin proceedings to ban the party, just as its predecessor, the Welfare Party, was banned last year.



UNMOVABLE — A policeman trying to direct traffic past lines of parked trucks in central London on Monday as drivers blocked streets to protest government increases in diesel duty and road taxes.

BALLOON: Back Down, Circumnavigators Wash Their Hair

Continued from Page 1

said, though that was a motivation; not was it about million-dollar prizes or the competition with other balloon teams that have been trying in recent years to circle the globe.

It was, Mr. Piccard said, about two men in a confined space putting themselves at the mercy of the breeze, just hoping for good luck. It turned out to be a great one, in which they made history Saturday when they crossed a "finish line" over the West African nation of Mauritania.

"The best part was between the liftoff and the landing," Mr. Piccard said. "We were in another world. In a garden. It was a small piece of paradise." He added that it was "heartbreaking that people were suffering on the Earth" while they floated above it.

The balloonists spent the night in Cairo and went early Monday to Geneva, where well-wishers gathered at the airport in pouring rain to greet them.

Having achieved a feat that has captured people's imagination for more than a century and written it into the

history books, they have adapted easily to the spotlight. Even as a team organizer tried to shut off questioning at the news conference, the two seemed eager to keep telling their story to a crowded and raucous room of more than 100 journalists shouting in English, French and Arabic.

Meanwhile, team organizers were dealing with more practical matters, such as what to do about the balloon. The high-tech Orbiter-3 is deflated and tipped on its side in the desert, with no hope of getting it out unless the Egyptian military agrees to a helicopter salvage effort, said the flight director, Alan Noble.

He reported that the team would ask the authorities for help and would probably donate the craft to a museum. He also said that Mr. Piccard and Mr. Jones would begin discussions with Anheuser-Busch Cos. about the \$1 million prize that the brewing company offered to the first team to circle the globe in a balloon. Half the money is supposed to go to charity, but Mr. Noble said that the two pilots preferred to establish a trust fund and donate the earned interest each year.

For all the good luck they had on their trip, the ending was hardly elegant.

The landing went well, though they said they initially had trouble setting down because, as the temperature increased near the ground, high-altitude ice began falling from the craft, lighting its load and sending it bouncing back up.

There was no immediate enthusiasm for another flight.

"I'm very glad this is over," Mr. Jones said, adding that the trip had been "a long time to be in the air."

But neither was there any doubt in their minds about what they had accomplished.

Mr. Jones said it was a life-altering trip, if only in the sense of self-achievement that he says it gave him.

Mr. Piccard ventured that such a journey offers a complete philosophy, which, if heeded by his patients, would do them more good than therapy.

"The definition of adventure is to accept the uncertainty, accept the anxiety, accept the doubts, prepare as well as we could, and jump," he said. "It is a metaphor for life."

Nearly Upset, Finn Is Poised To Lead Again

Reuters

HELSINKI — Prime Minister Paavo Lipponen looked set to cling to power Monday after his Social Democrats came from behind to snatch a narrow election victory.

President Martti Ahtisaari was likely to ask Mr. Lipponen, 57, to construct a fresh majority when the new Parliament meets next week, officials said.

"Normally, the person named to form the government is the head of the biggest party," said Erkki Tuomioja, the deputy leader of the Social Democratic Party.

The Social Democrats lost 12 seats in the election Sunday, one of the worst results in its history, as it felt the impact of a corruption scandal and tough economic reforms that paved the way for Finland's membership in the single European currency.

A tense election night saw the Social Democrats take a roller-coaster ride from defeat to hitherto victory after early returns put the opposition Center Party ahead.

The early triumphant statement by Eero Aho, leader of the Center Party, that the winds of change were blowing rang hollow, as final results showed it will get 48 seats in the 200-member Parliament compared with 51 for the Social Democrats.

Mr. Lipponen's main allies, the Conservatives of Finance Minister Sauli Niinisto, came in third with 46 seats and three smaller groups in the current "rainbow coalition" obtained 42 seats.

Analysts expect the Social Democrats and the Conservatives to remain at the core of the next government, which will preside over Finland's first stint as president of the European Union in the second half of the year. Both Mr. Lipponen and Mr. Niinisto are EU enthusiasts.

"There may be some slight changes, but the strongest bet is that the present government will continue," said Risto Uimonen, a columnist at Helsingin Sanomat newspaper.

Analysts said the Social Democrats' pledges to raise capital gains tax from the current 28 percent level and to start taxing dividends were unlikely to go far because the Conservatives opposed the plans.

Politicians said negotiations between Mr. Lipponen and Mr. Niinisto could be tough because the Conservatives, who scored their best ever result by gaining seven seats, are likely to demand more cabinet posts.

BRIEFLY

War Crimes Court To Probe 'Leak'

ZAGREB, Croatia — The United Nations war crimes tribunal said Monday that it planned to investigate the possible leak of expected indictments of three Croatian generals over a 1995 offensive against Serbs in Croatia.

The New York Times said Sunday that the tribunal had accused the Croatian Army of carrying out summary executions, indiscriminate shelling of civilians and ethnic cleansing. Indictments were expected to be issued in the next few weeks.

"The possibility and suggestion that there might have been some leak of confidential information is taken very seriously by the office of the prosecutor," said the tribunal spokesman, Jim Landale. (Reuters)

Cabinet Reshuffle Planned in Poland

WARSAW — Prime Minister Jerzy Buzek announced Monday he would reshuffle his cabinet to give fresh impetus to his program of social and economic change.

The center-right government leader told public radio he had "made decisions" after a first wave of changes that will require "a different organization within the cabinet."

His governing coalition has come under fire recently, with allegations of overstaffing and incompetence. Austerity measures he has introduced have led to anti-government demonstrations by, among others, health workers and truckers. On Sunday, 20,000 agricultural workers carried out a protest march through Warsaw. (AFP)

French Far-Right Declines in Voting

MARSEILLE — A parliamentary by-election has pointed to falling fortunes for France's far-right National Front, which split in a power struggle this year.

The National Front candidate, Joelle Melin, polled 12.8 percent of the vote Sunday in the first round in the southern town of Aubagne, down from 22.3 percent a year ago. A conservative candidate, Bernard Deflesselles, headed the field with 39.8 percent. The outgoing Communist deputy, Alain Belviso, whose election last year was annulled for fraud, dropped from 40 percent to 32.7 percent. (Reuters)

For the Record

The police stepped up security Monday after two bombs were found and defused in the southern Russian city of Vladikavkaz, where a bombing killed 62 people Friday. (AP)

Vatican to 'Modify' Relations With Taiwan

By Alessandra Stanley
New York Times Service

ROME — A top Vatican official said Monday that the Holy See would reconsider its ties with Taiwan to secure better contacts with Beijing.

The comment, made by the Vatican foreign minister, Jean-Louis Tauran, was timed to coincide with the visit of the Chinese president, Jiang Zemin, to Italy. Mr. Jiang has no plans to visit the Vatican, and relations between the Roman Catholic Church and the Chinese government are strained.

But the Pope, who plans to visit Asia this year to conclude the synod of Asian bishops, is eager to normalize relations with China and improve the rights of Catholics there.

China has long insisted that the Vatican must cut ties to Taiwan as a

condition for talks. China does not allow its Catholics to recognize the Pope's authority, and views the Vatican's desire to appoint its own bishops as interference in China's internal affairs.

"We are aware that in order to normalize our relations with Beijing, we will have to modify" relations with Taipei, Archbishop Tauran, told the Italian daily Corriere della Sera. "We are willing to negotiate."

It is not the first time that the Vatican has expressed its eagerness to open diplomatic relations with China — Pope John Paul II wrote a personal letter to Deng Xiaoping in 1983 asking for direct contacts.

The Reuters news agency reported that a soon-to-be published biography of the Pope by George Weigel reproduces the Pope's letter, which Mr. Deng never

answered. Archbishop Tauran's timing, as well as his wording, was the sharpest public declaration of the Vatican's intent to date.

But even Monday, Beijing did not appear ready to bend. Asked about the archbishop's comment, a Chinese government spokesman, Zhu Bangzao, replied, "Words are not enough; you have to follow through with deeds."

And there are signs of disagreement over the Vatican's China policy even within the church. Fides, the news agency of the missionary arm of the Vatican, published an editorial by the Reverend Bernardo Cervellera, director of Fides, in which he strongly criticized Beijing's demands that the Vatican break off ties with Taiwan, and highlighted persecution of Catholic clergy in China by the government. Father Cervellera demanded that China free two

Chinese Catholic bishops, who disappeared three years ago.

The Vatican on Monday dissociated itself from the priest's editorial. The Vatican spokesman, Joaquin Navarro-Valls, said the editorial was "a personal opinion" and added that "only the Vatican secretary of state is authorized to say what pleases or displeases the Holy See."

Chinese Defend Record

Challenges on human rights kept Mr. Jiang's state visit on the defensive in what was supposed to be a charm offensive in Europe, with the Chinese insisting Monday that human rights were now "the best in our history."

The Associated Press reported from Rome. Mr. Jiang talked with President Oscar Luigi Scalfaro and other Italian leaders in the shadow of a protest led by China's leading dissident in exile and a standoff with the Vatican over religious freedom and Taiwan.

Looming over all: a United Nations Human Rights Commission session this week expected to bring new, international criticism of China's human rights record.

The European Union said Monday that it would use the commission's meeting in Geneva to voice "growing concerns on the human rights situation in China."

The EU cited a crackdown on political activists and restrictions on religious freedoms. It stopped short of pushing for a formal condemnation of China, however.

Mr. Jiang's 11-day trip to Italy, Switzerland and Austria was meant in part to counter any criticism out of the UN rights commission session.

BRIEFLY

Argentine Vote Shakes Menem

BUENOS AIRES — Voters casting ballots on Sunday for a governor in a poor province of northwest Argentina apparently shook President Carlos Menem's hopes of winning a third term this year, according to political analysts.

Oscar Castillo of the Radical Party claimed victory in the Catamarca Province governor's race over Ramon Saadi, a member of Mr. Menem's ruling Peronist Party.

President Menem campaigned hard on behalf of Mr. Saadi. Top national newspapers said a loss for the Peronists in Catamarca Province could seriously hurt any bid for a third consecutive term for Mr. Menem in the presidential election scheduled for October. (Reuters)

Netanyahu and Primakov Talk

MOSCOW — Prime Minister Benjamin Netanyahu of Israel raised on Monday in talks here with the Russian prime minister, Yevgeny Primakov, reports of transfers of Russian missile technology to Iran.

Mr. Netanyahu said he and Mr. Primakov had "discussed measures that would increase our confidence" in Moscow's efforts to stem a clandestine flow of missile knowhow to Iran, which Israel regards as a threat.

"Mr. Primakov assured us that this is an interest of Russia shares with us," Mr. Netanyahu said referring to non-proliferation of missile technology.

"According to our knowledge, Iran doesn't have the missiles to hit the territory of Israel," he said. (AFP)

Uganda Accuses Its Pygmies

KAMPALA, Uganda — The Ugandan Army is investigating reports that pygmies are assisting rebels working to destabilize the government, a newspaper said Monday. Villagers in western Uganda also complain that pygmies have been terrorizing them, the independent Monitor newspaper reported, quoting David Katsigwa, district commissioner of the Bundibugyo region.

An estimated 300 pygmies, a group of hunters and gatherers, live in the Rwenzori Mountains straddling the border between Uganda and Congo. (AP)

EDITORIALS/OPINION

Herald Tribune

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Anti-Missile Consensus

The Senate (97-3) and the House (317-105) have commanded President Bill Clinton to deploy a national missile defense system soon. Most Republicans need little prompting; they have put missile defense at the center of their political as well as military calculations. Missile progress by assorted possible challengers of American interests — North Korea, Iraq, China — already was moving most congressional Democrats and Mr. Clinton toward deployment. Certainly, the United States must not lag in doing what it must to protect its cities, soldiers and allies from the threat of weapons of mass destruction.

But if there is now a bipartisan consensus emerging behind the idea of national missile defense, the form it should take is yet to be resolved. The House declared that an "effective" system should be constructed as soon as it is "technologically possible." These rubbery words are not so much a dictate of policy as an invitation to start getting serious. The services will want to know how the expense is to be borne. All Americans will want to ask how nuclear, biological and chemical threats conveyed by means other than missiles are meant to be repelled.

The knotty strategic problem re-

mains: What effect will missile defense have on strategic ties with other nuclear powers, especially Russia and China? A generation of relative strategic stability was instituted by the Soviet and American agreement of 1972 to forgo what the other might take not simply as a prudent defense but as a shield behind which to wield an offensive threat. Already the Russians and Chinese are asking whether a program advertised as a limited shield to catch rogue states or terrorists or accidental missiles may creep into a larger program that will be able to catch and neutralize their own.

The missile defense legislation bears an amendment, adopted unanimously in the Senate, reaffirming the U.S. commitment to arms control with Moscow. The requirement now is to turn this general expression into a concrete negotiating plan; there must be one for China, too. America must defend itself as well as possible against rogue and terrorist weapons and avoid giving gratuitous strategic and political offense to Russia and China. The essence of it is that Americans cannot expect others to live with a condition of perceived strategic vulnerability that they would never accept for themselves.

—THE WASHINGTON POST.

Caretaker Primakov

In the seven months that he has been prime minister, Yevgeny Primakov has restored a measure of stability to his shaken nation. Under his cautious leadership, Russia has avoided the civil unrest and collapse of central authority that seemed possible in the chaotic days after the ruble was devalued last summer. But as he heads to Washington this week, he remains a caretaker figure with a socialist tint who is mostly marking time until a new president, possibly he himself, is elected next year.

Mr. Primakov, a wily but amiable veteran of the Soviet bureaucracy, has little governing latitude. He is caught between an ailing and erratic president, Boris Yeltsin, and a beleaguered and cranky Parliament dominated by Communists. He has navigated these rapids by pursuing a foreign and domestic agenda that recalls Mikhail Gorbachev's early years in power, when he was still confident that he could make socialism work and assert Soviet power abroad while diminishing tensions with the West.

In foreign affairs, his area of expertise, Mr. Primakov has pressed traditional Russian security interests in Europe, Asia and the Middle East more vigorously than Mr. Yeltsin's previous prime ministers, but has not so far fulfilled fears in Washington that he would oppose America at every turn.

For the moment, at least, he is working with the Clinton administration on several fronts to limit the spread of nuclear weapons and technology. The escalating crisis in Kosovo promises to test his tolerance for cooperation with the United States, especially if NATO takes military action against Serbia, a longtime Russian ally.

Mr. Primakov's economic program borrows heavily from failed Soviet formulas without entirely giving up on the market forces that have developed in Russia in recent years. This is hardly surprising, since the price for his confirmation by Parliament was that he place economic policy primarily in

the hands of Yuri Maslyukov, a Communist retread.

The government is still failing to collect taxes and operating with a budget plan that bears little relation to economic realities. Over time, these policies will further stunt development, and they have done nothing to reverse the economic decline that accelerated last fall. But they have eased the financial panic that threatened to engulf the country. Because Russia has not printed enough rubles to pay all its bills, inflation has not risen out of control. Many Russians are thankful for the relative calm, and relieved that Mr. Primakov is concerned about the inequities produced by Russia's unbridled, criminal-infested brand of capitalism.

In negotiations with the International Monetary Fund, and in discussions about how Russia will treat the creditors who made the mistake of lending to it last year, Mr. Primakov's government has taken a surprisingly bawling attitude. It has delayed telling the creditors how they will be able to invest the small amount of money they are being allowed to recover, and has demanded that the IMF provide new loans without asking too many questions. Mr. Clinton and the IMF should resist this pressure until Mr. Primakov puts the economy back on a reform path and the IMF is satisfied that its loans will not be diverted to private, offshore bank accounts.

Mr. Primakov, like his predecessors, can never be sure whether Mr. Yeltsin suddenly will fire him. The political turmoil over Mr. Yeltsin's effort to dismiss the country's top prosecutor, Yuri Skuratov, has added to the uncertainty.

In such conditions, Mr. Primakov and his countrymen will be fortunate to get to the next presidential election without another change of cast in the Kremlin. Given the dangers of political instability in a nation with thousands of nuclear weapons, that may be the most that Washington can hope for as well.

—THE NEW YORK TIMES.

Hail to the Secretaree

Have you ever wondered who serves under an undersecretary in the U.S. bureaucracy? Here is a current list of chief of staff to the undersecretary, principal deputy undersecretary, deputy undersecretary, principal associate deputy undersecretary, associate deputy undersecretary, principal assistant deputy undersecretary, assistant deputy undersecretary, associate undersecretary and assistant undersecretary.

Call it title creep — the tendency to create new positions at the top of a hierarchy even as the lower ranks are being thinned. Paul C. Light of the Brookings Institution notes that the Clinton administration has been especially imaginative in this area, creating 16 new high titles, many for political appointees, while some 350,000 jobs were cut in the lower levels.

The list of titles, read aloud and with spirit, is the kind of thing that might start an old tune from Gilbert and Sullivan running through one's head —

most likely the one from "HMS Pinafore" in which a character describes how he rose through the ranks of the British admiralty without ever having been on a ship:

"As office boy I made such a mark/That they gave me the post of a junior clerk./I served the writs with a smile so bland./And I copied all the letters in a big round hand./I copied all the letters in a hand so free./That now I am the Ruler of the Queen's Navy!"

Chorus: "He copied all the letters in a hand so free./That now he is the Ruler of the Queen's Navy." Here are our suggestions for dealing with title creep: (1) a requirement that each such official be announced by full title upon entering or departing any work area, and (2) choral training in the Gilbert and Sullivan style for all the job-threatened, cubicle-rank employees, with special emphasis on rhymes ending in "secretaree."

—THE WASHINGTON POST.

A Lukewarm NATO Risks Humiliation in Kosovo

By David Owen

LONDON — Air strikes can buttress diplomacy, but on their own they can rarely stop fighting on the ground.

In Bosnia, I called for NATO air strikes against the Serbs in 1993 to pressure them to accept the Vance-Owen peace plan, and later to enforce the European Union action plan and the Contact Group plan. Today, however, I am very concerned that, after 50 years of NATO keeping the peace in Europe, its all-important credibility is being put at risk over Kosovo.

Already there have been too many NATO threats against the Serbs that have not carried out. Now President Slobodan Milosevic is being told that NATO air strikes will be unleashed to force his country to accept the Rambouillet autonomy plan.

Assuming that he does not back down and air strikes do take place on Serbian air defenses and airfields, and on Serbian tanks in Kosovo, what is likely to happen? I fear that an immediate and massive fight between Serbian troops and the Kosovo Liberation Army will follow, with hand-to-hand fighting in populated areas.

At present, NATO forces in Macedonia are insufficient to push the Serbs out of Kosovo. Public support in NATO

countries for escalating the air strikes to hit targets in Belgrade and other cities in Serbia may fade after a week or so. There is already concern in Italy about NATO using Italian air bases.

The experience of air strikes on Iraq, which I have always supported, demonstrates that, to stop fighting, military action on the ground is also necessary. To have NATO forces standing by in Macedonia, waiting as the Serbs crush the KLA despite the bombing, is a recipe for NATO's humiliation. Surely it is wiser to first build up NATO's land capability to the point at which Mr. Milosevic knows he faces overwhelming force.

Western political leaders seem to think that the situation in Kosovo is like that in Bosnia in August and September 1995. If NATO air strikes worked then, it is assumed that they will work in 1999 in Kosovo. In fact, the two situations are very different.

In 1995 the Croatian army had defeated the Croatian Serbs and was poised to move into Bosnia. The Bosnian government forces were stronger than they had ever been and were gain-

ing territory. The government of Bosnia had asked NATO to use airpower. The United Nations supported NATO action. And Russia was realistic.

UN forces in Bosnia had been preparing for NATO air strikes for two months. The French and British had brought artillery into Bosnia that was capable of hitting Serbian gun positions and tanks with pinpoint accuracy.

The Serbs were deeply divided. President Milosevic was exasperated, having pushed the Pale Serbs to accept 49 percent of the territory of Bosnia and Herzegovina since November 1993 — the formula which ultimately became the basis of the Dayton accord.

In Kosovo today, the Serbs are building up a dominating position on the ground capable of inflicting great damage on the KLA and further driving out the civilian Albanian population. NATO would be opposed in the United Nations by Russia and China. The Serbs in Yugoslavia are united over Kosovo in a way they were not over Bosnia.

In choosing to bomb, NATO must not assume that the Serbs will turn on Mr. Milosevic or demand that he sue for peace. Belgrade was bombed following an ultimatum in 1941, and today's Serbs have watched with sym-

pathy as the people of Iraq have survived repeated air strikes.

In short, there are sound reasons for believing that only the realistic threat of NATO troops moving into Kosovo, under the cover of air attacks, will force Mr. Milosevic to accept Rambouillet.

If Western governments have neither the political nor the military will to commit to a credible strategy for imposing autonomy in Kosovo, they would be better advised to negotiate independence for Kosovo now.

A deal would see the whole of Kosovo leaving Serbia. In exchange, the Bosnian Serbs in the eastern part of Republika Srpska in Bosnia would become part of Serbia. On a hectare-for-hectare exchange, that would allow some widening of the corridor from Sarajevo to the Muslims in Gorazde. With the territorial exchange I am proposing, Bosnia could, in months, become a truly integrated country.

The writer, a former British foreign secretary, was the European Union's negotiator on Bosnia from 1992 to 1995; his 1995 book detailing those years is entitled "Balkan Odyssey." This comment is distributed by the Los Angeles Times Syndicate.

Look Again: Samaranch Has Been Good for the Games

By Andrew Young

ATLANTA — It should be no mystery that the International Olympic Committee is maintaining its support for Juan Antonio Samaranch as its president. Just as U.S. presidents from the old South became strong advocates of integration and racial equality, so this one-time fascist has been responsible for the democratization and successful globalization of the Olympic movement.

When Mr. Samaranch assumed the IOC leadership in 1980, the Olympics were reeling from the economic disaster of the 1976 Montreal Games. The world saw Montreal's public debt of some \$700 million and perceived the Games to be a boondoggle.

That was the prevailing view when Billy Payne, champion of Atlanta's Olympic bid committee, tried to get an appointment with me in 1987 when I was Atlanta's mayor. I had a repu-

tation for meeting with almost anybody, so it was quite surprising for me to learn later that Mr. Payne had been refused a meeting by my staff.

So strong was the image of debt associated with the Olympics that my staff felt obliged to protect me and the city from an almost certain fiasco. But Mr. Payne was persistent, and determined to get my support. Thank goodness he made a believer out of me.

Mr. Samaranch, meantime, with a huge assist from the 1984 Games in Los Angeles, had broadened both the political and economic base of the Olympic movement.

Slowly but surely, he added representatives of developing nations, women and athletes to what had been a European royalist old boys' club. He became the strongest advocate for an

inclusive democratic sports movement.

Once the private sector began to appreciate the commercial value of the Olympic rings, through sponsorships, the Olympic movement was freed of the burden of government control. Like most privatizations, this broadened the base of access and service because the profit motive demanded new efficiency and continually growing markets.

A skilled athlete from a war-torn or poverty-stricken country could now obtain a shoe contract or other commercial endorsements, train and compete favorably against state-sponsored athletes of Socialist countries and university-supported athletes from richer countries.

"Commercialization" of the Olympics, in fact, became a vehicle for the demo-

cratization of sport. Mr. Samaranch deserves much of the credit for this success.

It was, in fact, revolutionary. The old boys' club lost control. The 1988 Summer Games were held in Seoul, which beat out the favorite, Nagoya, Japan. Barcelona was selected over Paris for the 1992 Summer Games, and Lillehammer over Osterund, Sweden, and Anchorage for the 1994 Winter Games.

Atlanta beat out Athens for the Centennial Olympic Games of 1996. Each of these cities was an underdog victor against the conventional wisdom and the old guard of the IOC.

Now the counter-revolution begins: the old guard fights back. But the issue is control, not corruption. Anyone can see that excesses by delegates from Finland, Kenya, Sudan, Libya, Congo and Mongolia are not capable of corrupting the Olympic movement.

How much influence can these countries' delegates have? In determining a city to host the Olympic Games, the IOC selection process is a series of votes by secret ballot, in silence, one at a time. The low-vote-getter is dropped, and new ballots are marked until one city gets a majority.

With Atlanta, it took five secret ballots. We had determined from the beginning that the only way to win was to become the "emotional" favorite. With five secret ballots, people voted their hearts as well as their heads.

The lesson is that the Olympics cannot be bought. Atlanta spent less than one-third as much as our competitors in our bid process. Since few people, even in Atlanta, thought we could win, there was no incentive to spend more.

It would be a shame if the public and sponsors did not see the power struggle and began to tamper with a process that has demonstrated its ability to produce constant surprise winners, and, in fact, a series of very successful Games.

Why not pay all IOC members as athletic federations pay their administrators? And why not have a more transparent process in negotiating contracts?

The \$6 billion NBC-TV contract with the IOC is far more likely to distort and corrupt the Olympic image with its U.S.-centered reporting of what is a global event. NBC misses the point of the Olympics completely when it assumes that the U.S. audience wants to see only what are traditionally America's favorite events.

The Olympic Games are one of the few opportunities we have to understand the complex world in which we live.

Unlike the stories of war and tragedy that we most often see on television and in the print media, the Olympic Games show the world at its best. This is notwithstanding the bad judges in boxing, drug violations and greedy and/or needy IOC members.

The revolution is succeeding without violence and bloodshed. It is being televised around the planet. It is a powerful testimony to the possibilities of peace on earth, goodwill to all men — and women and children, too. Certainly the current Olympic Games situation can be improved, but not by dumping Mr. Samaranch and a group of impoverished delegates.

The writer, a former U.S. ambassador to the United Nations, was mayor of Atlanta from 1982 to 1990. He contributed this comment to the International Herald Tribune.

How a NATO Ripple Effect Could Reach the Pacific

By Rameah Thakur

TOKYO — Now that three former members of the Soviet bloc — the Czech Republic, Hungary and Poland — have joined the North Atlantic Treaty Organization, despite opposition from Russia and China, what are the implications for Asia?

If NATO is an old alliance looking for a new role, and if its expansion is the price paid for anchoring the American security commitment to Europe, what might this imply for allies and adversaries of the United States in the Pacific?

NATO is underpinned by common civilizational roots and shared political values. Asia lacks similarly strong multilateral institutions, and old enemies persist. With the demise of the Soviet Union, and with the Russian threat dormant, the only common thread tying together America's alliances with Japan and South Korea, and its close security relationship with Taiwan, seems to be the fear of a resurgent and assertive China.

The collapse of the Soviet Union, combined with the moderation of Communist ideology in China and Beijing's commitment to economic and market reforms, has weakened the foundations of U.S. alliances in the Pacific.

If the enthusiasts for NATO enlargement are right, the stabilization of Europe will prevent the dissipation of American security energies there, help to maintain an active U.S. security commitment in the Asia-Pacific region, and keep Russian power firmly contained.

Yet this last factor diminishes the importance of alliances with the United States for some Asian partners, to the extent that such alliances are based on the shared fear of a revived Russian threat.

But NATO enlargement could also alienate Russia from the European order, prompting it to search for new strategic

partners in Asia. A sullen Russia and a disaffected China could join forces to thwart American ascendancy in the Asia-Pacific region.

The humiliation inflicted on Russia by NATO enlargement reduces not just Russia's but also the West's bargaining leverage with China. It dilutes Chinese fears of Russia and strengthens China's determination to avoid having to negotiate with the West from a position of weakness.

It also removes a possible Russia card for the West in the strategic game with China, and increases pressure on Asian countries to come to terms with China's rising status and power.

Instead of easing the dividing lines of Europe, NATO enlargement may merely shift them eastward.

The writer is vice rector of the United Nations University. He contributed this personal comment to the International Herald Tribune.

Noisy Growing Pains for an Expanding Europe

By Flora Lewis

PARIS — The collision between the European Commission and the European Parliament came as a shock because it was the first time the question of respective power had been put directly. And yet grumbles about the commission and its lack of accountability, and about the Parliament and its failure to have any impact, have been accumulating for years.

But the fracas is not as dire as the novelty has made it sound. It reflects growing pains that are inevitable as the European Union keeps expanding and adding responsibilities.

What details have been published of the charges of mismanagement, fraud and nepotism add up to scarcely more than would hrew a teapot-size scandal in most of the national governments. Much more serious than any particular faults of this commission is the evidence that attitude and style of management have to change.

The commission resigned en bloc when it was denounced in a special report to the Parliament, apparently with the illusion that it would be begged to finish its term. That just shows how big was the gap in perception.

Underlying all the issues of personalities and politics is the clash between the original concept of the commission as an independent body and the demand for some kind of democratic control.

The commission was deliberately set up as a European secretariat so as to prevent member states from intervening behind the scenes by influencing their nationals as they would their own civil servants.

The Eurocrats have been called "faceless" because they are precisely not meant to represent one group or country against another. The problem is that they have not become primarily European rather than Greek or Danish, and this seems to get harder rather than easier as more states are involved.

Furthermore, each enlargement of membership brings more functionaries and more tasks, but there has been no parallel expansion of oversight and management personnel.

There are now 15 member states, up from the original six, and more have started negotiating for future admission. The applicants are getting impatient as their target date slips well into the next decade. But big structural reforms, including commission assignments, have to be agreed upon before the Union could conceivably operate with so many members. And that need, while acknowledged, is not being faced.

The other side of what has long been called the "democratic deficit" is the lack of parliamentary power. National governments and parliaments hold democratic legitimacy now, but they do not represent Europe.

The European Parliament, at first chosen by national legislatures but now directly elected in hopes that it could acquire the needed aura, is trying to assert itself. But its powers will be limited even when the new Treaty of Amsterdam takes effect after June's European elections.

The focus of power in the Union remains the council, where each member govern-

ment has a seat and there is no permanent head. The presidency rotates every six months, and most of the staff with it. It is the commission which provides real integration. So the weaker it is, the less truly "European" is the Union, as opposed to an association of states.

Jacques Santer, the Luxembourgish who is the latest head of the commission, was chosen as a bland compromise after Britain objected to the Belgian candidate of France and Germany as being too federalist. Mr. Santer is seen as an honorable but indecisive man with too much concern for protocol and too little for administration.

The target for most of the attacks has been Edith Cresson, a French former prime minister and protégée of the late President François Mitterrand, who, as one colleague said, "has a mad talent for offending everybody." Most of the other commissioners are considered acceptable or even well-liked. But now a clean sweep has become a matter of principle for many parliamentarians.

The fact that the Parliament can only challenge the commission as a whole or keep its peace has had the inevitable result of an eruption of frustration.

The upheaval will almost surely lead to a stronger personality as commission president. Gaston Thorn, himself a former commission president after being prime minister of Luxembourg, urges immediate appointment of Etienne Davignon, a Belgian EU veteran with a

reputation for a firm but agile diplomatic hand.

And it must be assumed that the Parliament will seek to consolidate a larger share of power.

But there is no reason why the blowup should undermine EU advance or the euro. If the commissioners become more responsive to complaints from the Parliament, so much the better. And they might come to notice that even with no national political base, they still have a lot of constituents out there.

Flora Lewis.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: African Accord

PARIS — Bagirmi, Wadai and Kanem are recognized by the Anglo-French convention as belonging to France. M. Landry points out, in the "Figaro," that sovereignty over these provinces ensures France an empire 800 kilometers in width in the heart of the Dark Continent. Mr. Landry also attaches importance to the clause guaranteeing equal commercial rights to the two countries, which gives France access to the Nile. Finally, the two Powers mutually undertake to refrain from exercising political or territorial rights outside of the frontiers fixed by the arrangement.

1924: Shah Dejected

PARIS — While Persia is in the throes of a revolutionary movement which aims at setting up a Republic, the Shah of Persia is living in modest retirement in

Paris. The news concerning the effort to establish a Republic came as a great blow. He lost his former smiling good humor. The outcome of the troubles at Teheran is uncertain. The Majlis met when the Republican leaders tried to rush the question of the new regime, but failed to overcome the opposition of the Moderates.

1949: Flight Record

WASHINGTON — Round-the-world flyer William P. Odom's recent Honolulu-Teterboro, N.J., flight was not only a distance record for a light airplane, but the longest non-stop solo flight ever made in any type of plane, the National Aeronautics Association said. The 4,957.24-mile flight will be chalked up as an official record. Among previous solo distance flights were Charles Lindbergh's 3,609.538-mile New York-Paris crossing in 1927.

Herald Tribune

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Internet address: <http://www.ihb.com> E-Mail: ihb@ihb.com

Editor for Asia: Michael Richardson, 5 Canabury Road, Singapore 119600. Tel: (65) 473-7768. Fax: (65) 274-2334
Mng. Dir. Asia, Nigel I. Oulme, #201, 191 Joo Road, Hong Kong. Tel: 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany: T. Schiller, Friedrichstr. 15, 10117 Frankfurt. Tel: +49 69 971250-0. Fax: +49 69 971250-20
U.S. Office: 850 Third Ave., New York, N.Y. 10022. Tel: (212) 732-3890. Fax: (212) 732-3875
U.K. Advertising Office: 40 Marsh Wall, London E14 9TP. Tel: (77) 510-5700. Fax: (77) 587-3451
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مكتبة الأمل

OPINION/LETTERS

Europe Still Searches For the 'Third Way'

By E. J. Dionne Jr.

PARIS — A characteristic of politics in most well-off democracies is that we know far better what we do not want than what we do. The trend in most democratic countries is toward moderate government and away from pure free-market parties. Voters do not fully trust the global economy and want protection from its fluctuations. But to win elections, parties of the left promising those protections have to prove they are comfortable with the market and accept its discipline.

Lionel Jospin, France's Socialist prime minister, caught the mood when he said he favored a "market economy" but opposed a "market society." We want capitalism, but want it tempered by other values — equity, community and compassion.

If you want to know how much has changed, consider these comments from Robert Hue, the national secretary of the once hard-line French Communist Party. "The Communists are not adversaries of the market," he said last week. "The Communists have broken with the statist vision of things."

Imagine Karl Marx dining with Milton Friedman.

The social philosopher Anthony Giddens explains this transformation in "The Third Way," his recent book. No one any longer has

any alternatives to capitalism — the arguments that remain concern how far, and in what ways, capitalism should be governed and regulated.

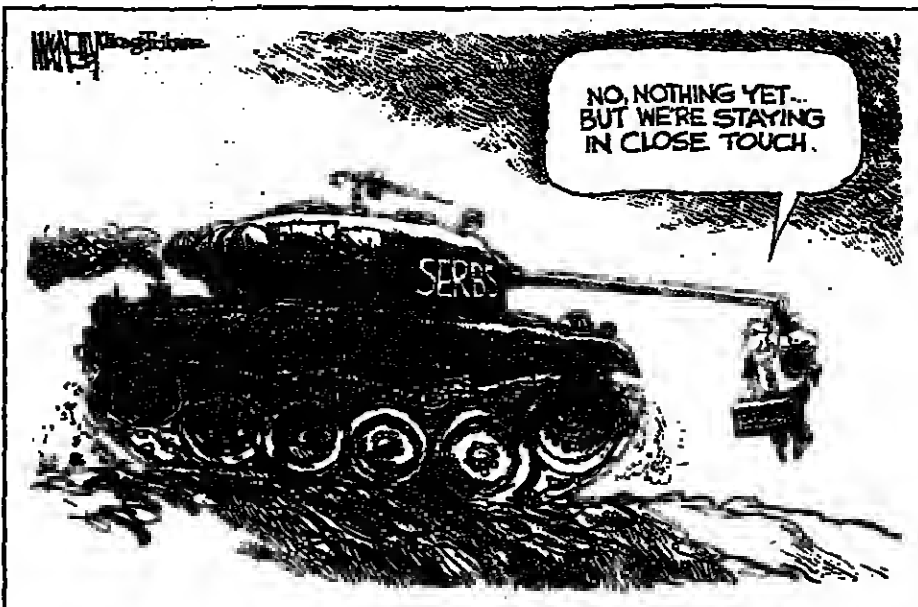
This may explain some of the listlessness of contemporary politics. Utopias and searing critiques of the status quo are exciting. But why should progressive parties pretend to have answers they do not have, or attempt to build systems that cannot work?

The Third Way idea is seductive because it seems to represent realism with a heart. But Mr. Giddens — the director of the London School of Economics who is thought of as Prime Minister Tony Blair's favorite social philosopher — tries to show that the Third Way is more than a marketing slogan.

The core problem with contemporary conservatism, he says, is an inconsistency at the heart of its creed. Its "devotion to the free market on the one hand, and to the traditional family and nation on the other, is self-contradictory."

Why? "Individualism and choice are supposed to stop abruptly at the boundaries of the family and national identity, where tradition must stand intact. But nothing is more dissolving of tradition than the 'permanent revolution' of market forces."

Mr. Giddens is perceptive on the thorny question of risk



versus security. The standard account is that if government provides too much security, no one will want to take risks. But Mr. Giddens is aware of the need for certain social protections if what you desire is a risk-taking society.

To encourage citizens to be "responsible risk-takers," he writes, "people need protections when things go wrong" and "also the material and moral capabilities to move through major periods of transition in their lives." That is why every party in every country is talking about education.

The upshot is that we should not dismantle the welfare state, but rather reconstruct it into a "social investment state" to provide "resources for risk-taking." Mr. Giddens's welfare state would also cooperate

extensively with community institutions that are independent of government.

As for the global economy, Mr. Giddens sees its expansion as removing more and more activity from the regulatory reach of individual nations. In what he calls "depoliticized global space," there are no rules establishing "rights and obligations." Figuring out what those are and whether they can be enforced across national boundaries is one of the central political problems of our time.

The strongest critique of the Third Way is that its careful balancing act sounds too good to be true. Center-left parties trying to calibrate market efficiencies against concerns for social justice are not working in some sanitized

The Washington Post.

Excavating a Tulsa Race Riot

By Brent Staples

NEW YORK — The mention of mass graves brings to mind the genocidal wars that have bloodied Bosnia, Rwanda and Central America. But at its meeting Friday, a state commission in Oklahoma discussed its search for mass burials along the Arkansas River in central Tulsa and elsewhere in the city.

The panel, the Tulsa Race Riot Commission, was created by the state legislature in 1997 to investigate violence that swept the

MEANWHILE

city in 1921. In less than one day, rioting whites killed perhaps as many as 200 to 300 black citizens, burned more than 1,000 residences and razed one of the most prosperous business districts in the Southwest.

The exact casualty figures and property losses were obscured in a cover-up that kept the riot out of polite conversation and school history textbooks for nearly half a century. But with its report due out in the autumn, the commission will substantially expand what Tulsans know about a bloody night almost 78 years ago.

Many Americans associate racial disturbances with the 1960s. But the period from 1919 to 1921 was more viciously violent by far, due partly to dramatic shifts in the demography of race.

Black workers who had been historically confined to cotton fields in the South had begun to move north and compete with whites for factory jobs — often as strike-breakers, which was the only way many could get hired. In addition, black veterans returned from World War I insisting on the civil rights that Americans had fought and died for in Europe.

In Chicago, Omaha, Washington and Long View, Texas, white mobs burned and killed in black neighborhoods. But the worst violence occurred in the Greenwood section of Tulsa on June 1, 1921, when black families were burned alive in their homes or shot running away. The blacks shot back. But in the end, a thriving neighborhood of shops, hotels and gaming halls — which Booker T. Washington had dubbed "the black Wall Street" — was left bombed out and deserted.

The rioters targeted affluent blacks, whom they regarded as "uppity Negroes." A nationally known surgeon, A. C. Jackson, was shot by a white teenager while running out of his flaming home. Jackson fled to death on the march to a makeshift internment camp.

Thousands of black Tulsans left with what they could carry. Those who stayed regretted it when grand juries dominated by the Ku Klux Klan indicted "armed colored men" who had done little more than defend their lives and homes.

The riots began after a spurious rumor, repeated in a newspaper article, that a black man had tried to rape white women in an elevator. Hisnarians of the riot now say that The Tulsa Tribune's managing editor admitted to investigators just days later that an overzealous writer had made up the story.

But the most damaging thing was an inflammatory newspaper piece whose headline survivors recall as "To Lynch Negro Tonight." The article seems to have been deliberately expunged from remaining copies of the paper. Even so, survivors recall reading it at the time. The National Guard officer in charge at the scene placed part of the blame for the conflagration on "yellow journalism."

Don Ross, a state representative, grew up hearing black Tulsans smolder about the riot and the cover-up. Two years ago Mr. Ross gathered overwhelming support to create a commission that would "break the conspiracy of silence" surrounding the riot. The resulting panel, the Tulsa Race Riot Commission, is charged with arriving at an accurate death toll and estimate of property damage. But the commission's most sensitive mission is to decide whether reparations are warranted and what form they will take.

The commission is getting results. Legal documents that were thought to be lost have turned up, shedding light on bogus prosecutions stemming from the riot. Newly found survivors have been interviewed, among them a white man who testified before the panel that he had been a teenager during the Greenwood disturbance riding the riot zone while hostile whites hunted down Negroes.

A spokesman for the riot commission said earlier this month that excavators had been looking for bodies of riot victims at the edges of existing cemeteries and suspect that there may be mass graves at at least three sites. The commission is particularly interested in the 11th Street area of the Arkansas River, where witnesses say they saw guardsmen hurling bodies into the water.

The commission has found that bodies were stored temporarily on a sand bar in the river and then probably buried when one came to claim them. One possibility is that graves were dug somewhere nearby, perhaps on the riverbank. The area is being searched with ground-penetrating radar. Any bodies that turn up will be exhumed and examined. That work will fall to the forensic anthropologist Dr. Clyde Snow, who has investigated massacres in Latin America, Africa, Asia and the Balkans.

No one expects the story to end soon. After eight decades of silence, Tulsans are talking about June 1921 and are nowhere near ready to stop.

The New York Times.

LETTER TO THE EDITOR

Bombing Is Not Enough

Regarding "Americans Can't Keep Peace That Isn't There" (Opinion, March 19) by David Broder:

Mr. Broder's statement that "peace cannot be built until the warring parties have exhausted themselves and are ready to take the responsibility on themselves to turn a new page"

could have been uttered by Joseph Chamberlain in 1939.

Slobodan Milosevic's thugs have committed acts of genocide unmatched in Europe since the days of Adolf Hitler. They have shelled Bosnian and Kosovar villages, driving their inhabitants from their homes. They have raped, pillaged and looted.

And now NATO is threatening

bombardment of Serbian positions. For once the appeasers have it right when they say it will solve nothing. What will solve the problem is a full-scale NATO attack — infantry and tanks, supported by artillery and tactical air power — on Serbia. The attack should continue until the Serbs cry for mercy and surrender. Mr. Milosevic and others guilty of crimes against humanity.

This action should once and for all destroy the myth that the prime mission of the armed forces is to keep the peace. Armies are meant to wage war, not keep the peace. Unless we recognize these facts, thugs like Mr. Milosevic will become emboldened, and we will all be in harm's way.

AARON STERNFIELD,
Morges, Switzerland.

CHESS

By Robert Byrne

THE SECOND STAGE of the Russian Cup, a 129-entrant, Swiss-system tournament in Moscow, began February 19, was dedicated this year as a memorial to Yefim Geller, who died in November. Two young Russian grandmasters, Mikhail Kobalija, 20, and Aleksandr Rustemov, 25, shared first place with 7½ points in 9 rounds.

In the fourth round, Kobalija created an overwhelming mating attack capped by a breathtaking queen sacrifice against the Armenian international master Tigran Nalbandian. The Alekhine Defense, 1...Nf6, is the model of hypermodernity: Black lures his opponent into the advance 2.e5, the idea being to

prove that it is premature and lacking in real force.

Support for the Alekhine is shown nowadays by White's avoiding the creation of a mammoth pawn center with 4.c4 Nb6 5.f4 in favor of the measured development with 4.Nc3.

After 8.Nc3, it would have been wrong to play 8...d5?! 9.Nc3! Bc2-10.Qc2 Qd4? 11.Rd1 Qc5 12.b4 Qb4 13.Nb5 with a decisive attack for White.

The advance with 9...d5 was originated by Alla Kushnir, challenger for the women's world championship in 1969. Black switches from a semi-open game to a closed position. On 10.c5, Black cannot play 10...Nc4? because 11.Bc4 d5 12.Qc4 wins a pawn. But after 10...Bf3?, recapture with 11.Bf3 would be ineffective for White; thus, 11...Nc4 12.Bc1 b6! 13.b3 Na5 14.b4 Na4 15.a3 a5 16.Rh1 ab 17.ab bc 18.bc Nc6 would yield Black good counterplay. So White plays 11.gf, accepting doubled pawns but forcing the retreat of the b6 knight.

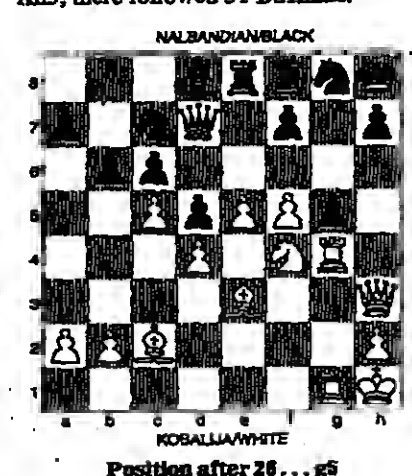
Many games have shown that after 13...g6, Black has good chances of holding his position. That is the inspiration for the enterprising pawn sacrifice 14.f5! to open lines against the black king before a blockade with ...Ne7 and Nf5 appears. It was first seen in a Pokojewczyk-W. Schmidt game, Poland 1976.

This game followed the earlier one through 17.Rg1. Instead of 17...Ne7 18.Qh3 Ng8 19.Bf5! Be7 20.Ne2 Na6 21.Nf4 Rg7 22.Bg6! Resigns, Nalbandian

tried to improve by 17...Na6, but it did not stop the key piece sacrifice with 18.Bf5! If 18...g7, then 19.Bb6 Rg8 20.Rg8 Qg8 21.Rg1 Qg6 22.Rg6 f6 23.Qf4 Bc8 24.Bg5 Bg5 25.Qc5, is hopeless for Black.

But after Nalbandian declined the offer with 18...Ne7, Kobalija systematically strengthened his position until it had reached overwhelming proportions following 24.f5.

Kobalija kept on building up with 25.Ne2 b6 26.Nf4, threatening annihilating captures at g6. And after Nalbandian wanted that off with 26...g5, Kobalija struck with the beautiful 27.Qh7! After 27...Kh7 28.f6 Kh5 29.Rb4! gh 30.Ne6 Kh5, there followed 31.Bdimate.



TO SEE AND SEE AGAIN

A Life in Iran and America

By Tara Bahrampour. Illustrated. 357 pages. \$24. Farrar, Straus & Giroux.

Reviewed by Adrienne Edgar

In the late 1970's, Tara Bahrampour enjoyed an idyllic and privileged childhood in Teheran. The daughter of an American mother and an Iranian father, she experienced both the warm embrace of an Iranian extended family and her parents' more relaxed, American-style approach to child-rearing. As a future member of the shah's Westernized elite, Bahrampour attended an international school that groomed its students for college in the United States.

She went to Halloween parties, played with Barbie dolls and listened to American Top-40 radio. Yet the pages of her affecting memoir, "To See and See Again," are also filled with descriptions of the time she spent with her father's relatives drinking cardamom-scented tea, absorbing family lore and learning what sort of behavior was expected from a well-bred Iranian girl.

When the protests against the shah began, her Berkeley-educated father was initially sympathetic. He took Bahrampour and her younger brother to anti-government demonstrations; afterward, the children danced excitedly around their living room, chanting "Death to America! Death to the shah!"

It soon became clear, however, that

the Islamic Revolution was partly fueled by outrage against Western influence and that her half-American family was a potential target of violence. The Bahrampours left for Los Angeles, planning to stay only until the immediate danger had passed. A few days later, the shah fled Iran and his government collapsed, leaving them stranded in the United States.

Bahrampour, who was 11 at the time, was ambivalent and confused about what had happened to her family. As her book makes plain, she desperately missed the life she had left behind and felt a fierce loyalty toward her father's country. When revolutionary students took hostages at the U.S. Embassy in Teheran, she experienced a twinge of perverse pride. And she was angered by a fellow émigré named Shahrzad, who sought to avoid anti-Iranian taunts by renaming herself Sherri and claiming Italian ancestry.

At the same time, Bahrampour desperately wanted to fit in. She copied the clothing worn by her classmates and frequently felt embarrassed by her Iranian relatives, who advertised their foreignness by haggling over prices at a local convenience store.

In the early 1990's, while working at an American newspaper in Brussels, she was invited to a family wedding in Iran and, on a sudden impulse, decided to go — in part to satisfy a growing curiosity about her other homeland.

Bahrampour returned to an Iran in which the cosmopolitan world of her childhood no longer existed. She found,

instead, an austere Islamic society dominated by the *komiteh*, the morals police. At a reeducation school for Iranian children who had lived abroad, she found teen-agers who once surfed in California, learning to wear the chador.

She also found a society in which, as she puts it, "defying the rules has become a national pastime." Small acts of rebellion by individual Iranians took many forms: a dab of lipstick that could be quickly wiped off when the *komiteh* appeared; homemade wine served at a dinner party. But she discovered that the rejection of the West has had a positive effect too — instead of coveting all things Western, many Iranians show a new interest in their own history, culture and art.

In "To See and See Again," Bahrampour has written a fascinating, often moving, account of her life on the boundary between two very different cultures. Like many individuals of mixed parentage, she has resisted attempts to force her into identifying exclusively with one part of her ancestry, but has learned that finding the right balance can be difficult. Perhaps because of this experience, she is able to write about both Iran and America with uncommon insight, setting the sympathetic understanding of an insider against the clear-eyed precision of an outsider.

Adrienne Edgar, who is writing a book about Central Asia under Soviet rule, wrote this for The New York Times.

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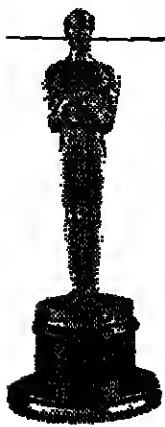
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Dressing the Stars: Winners and Losers

Spotlight on Glitter and Glamour

By Suzy Menkes
International Herald Tribune

PARIS — Seven. Seven? Seven! Never could an Academy Awards hopeful have expected such a clean sweep on Oscar night. What a triumph! What a proud moment for the industry. We are talking, of course, about the big winner in Los Angeles on Sunday night: Harry Winston.

Who? The jeweler's name may not have been on everybody's lips, but those diamonds were studding seven stars, from Gwyneth Paltrow, whose sparkling necklace topped her marshmallow pink American princess ball gown, through Whoopi Goldberg, who chose big rocks and her quick-change movie-inspired outfits.

But spare a thought for the losers in the high fashion stakes. When Paltrow opted for Grace Kelly style glamour from Ralph Lauren, she dashed the hopes of other houses that had bombarded the 26-year-old actress with sketches and outfits.

Shed a tear for Calvin Klein, who had dressed Paltrow for the Golden Globes in what was intended to be an Oscar outfit; and for Donatella Versace, who had pinned ice blue colors to the fashion mast.

It was so near and yet so far for poor Giorgio Armani, who had originally fitted the weeping winner with a twinkling pink gown, yet on the night only got to dress her best-beloved parents.

The Academy Awards are now such a big deal for the fashion world that they can make — if not break — careers. Could Gucci's Tom Ford have a better showcase for his sexy, ironic glitz than Helen Hunt, whose dress, contoured with rhinestones, offset her ironed-flat hair? Versace has had its share of the glam slam — especially in the days when a little bad taste was Hollywood's fashion spice. Catherine Zeta-Jones, star of "Mask of Zorro," expressed the new silver screen elegance in her Versace strapless ruby red satin dress with molasses of bead embroidery and shoes to match.

Who even noticed Cate Blanchett's Cinderella slippers, supposedly encrusted with diamonds? Only those who could tear their eyes away from the delicious John Galiano dress with its honeysuckle and hummingbird embroidery.

Galiano had another winner for Dior with Celine Dion's great exit maker: an outfit that was deliberately designed back to front, set off with a jaunty trilby.

What constitutes an exceptional Oscar gown? In the days when legendary costume designers like Adrian and Edith Head dressed Marlene Dietrich or Elizabeth Taylor, they created for their stars an on and offscreen image. In fact, the violet chiffon gown from Taylor's wardrobe that was auctioned by Christie's for \$167,500 at an AIDS benefit last week bore no relation to the fashions of the 1960s. It was a recreation of the bosom-draping tiny-waisted full-skirted gowns that the star had made her style.

Today, an Oscar nominee is expected to be a fashion plate and is wooed by designers as much for their glory as for hers. Or, indeed, his. Tuxedos may all seem identical, give or take the cookie-cutter lapels favored by Ian McKellen, but male stars are also dressed for Academy Award success.

Steven Spielberg's classy three-buttoned tux was courtesy of Valentino, who also decked out Tom Hanks. Nino Cerruti, one of Hollywood's favorite designers, snared a trio of famous names: Alec Baldwin, Harrison Ford and Jack Nicholson. And who did Elton John turn to for a low-key number in which to host his post-Oscar party? Versace furnished him with a purple embroidered tuxedo.

The house of Versace has a long-standing relationship with such stars as Courtney Love and Christina Ricci, who have been front-row guests at fashion shows and stayed loyal for the awards ceremony or for the parties, when actresses often change their outfits.

Armani must be credited for turning the Oscars from a night of sartorial disasters into a stylish event on the fashion calendar. This season, the designer scored with Ben Affleck, Geoffrey Rush, James Coburn, Martin Scorsese, Robert De Niro and the controversial award winner Elia Kazan.

For all the polished glamour of the last Oscars of the old century, some of the razzmatazz is missing now that good taste has replaced attention-grabbing vulgarity — the kind that Cher once displayed to perfection.

Moonbeam silver was the strongest fashion statement — graceful as the pearl-gray embroidered chiffon Valentino gown worn by Emily Watson, nominated for her role in "Hilary and Jackie." But Meryl Streep, swathed in pale lilac in another Valentino gown, faded under the spotlights.

Who are the real winners? Diamonds had a great night out, after a long period of bare-necked minimalism.

Last year's appearance by Minnie Driver in a Halston dress persuaded the house's then-designer, Randolph Duke, to set up business on his own. When Madonna picked a dress from the fledgling Belgian fashion graduate Olivier Theyskens, she put his name on the fashion map.

Designers can build a reputation on a star's back, like Badgley Mischka, the New York design duo who dressed Jennifer Lopez on Sunday; or the Los Angeles-based Richard Tyler, who dressed the television personality Ellen Degeneres in a sleek, mannish satin tuxedo.

Even if the studios no longer rule the hair waves, stars today have no excuse for being badly dressed or groomed. Make-up stations (from \$500 to \$1,500) and hairdressers at similar high prices primp and paint throughout the big day.

New in the 1990s have been the fashion stylists, who now wield enormous power. They advise their often indecisive clients what to wear and even which hip or classic designer will best promote their images. From Escada (who dressed the British actress Blenda Blethyn) through top designer names, all have Hollywood agents and studios for stars to try outfits and be fitted. For free? Of course. And no, they do not automatically give the outfit back.

Two of Goldberg's outfits — her take on Judy Dench as Queen Elizabeth I in "Shakespeare in Love," and her madcap silver suit and feathers reflecting "Velvet Goldmine" — paid tribute to the unsung heroines of Hollywood: the costume designers. At least Sandy Powell, who created the clothes for both movies, carried off a well-deserved Oscar.

Gwyneth Paltrow in Ralph Lauren's sugar pink satin dress and matching tulle stole.



Cate Blanchett in John Galiano's foliage and bird-embroidered dress.



Celine Dion's surreal back-to-front jacket from Dior couture by Galiano.



Jennifer Lopez in Harry Winston diamonds and Badgley Mischka ball gown encrusted with beads.



Uma Thurman's beige satin bustier and ballooning skirt from Chanel haute couture.



Catherine Zeta-Jones in a ruby red strapless satin Versace dress embroidered with crystal and jet.



Meryl Streep in Valentino's lilac chiffon and silk dress shimmering with bead embroidery.

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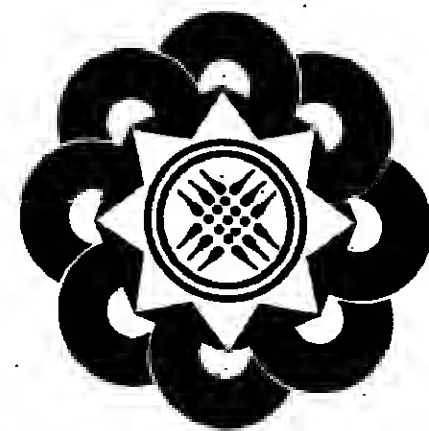
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Tuesday Business Education in the U.S.

'GREEN' MBAS ARE MAKING BUSINESS SENSE

Environmental management and the MBA.

In a world where environmental issues have moved from feel-good public relations to nuts-and-bolts corporate strategy, a handful of top business schools are combining environmental studies with management training. Students in these programs want to make sure that their ideals have practical impact in the marketplace. They hope that their environmental management skills will enable them to secure a specialized niche in corporations in which environmental issues have moved to the top of the agenda.

Duke University's Fuqua School of Business, the University of Michigan's Graduate School of Business and the Yale School of Management are among the schools offering environmental management degree programs. Other schools are responding to interest among students and corporations by integrating environmental issues into the first-year curriculum. The Darden Graduate School of Business at the University of Virginia uses cases in environmental reporting in its first-year accounting class.

Entering the mainstream

Students enrolled in these programs may be idealistic, but they are also as hard-headed as international finance majors.

"We don't want 'tree-huggers' in the school because that's not what it's all about," says Stan Garstka, deputy dean of the Yale School of Management. "Saying management is evil and out to destroy the earth is not the real world. The system is more enlightened. When you work on these issues, you have to work within the context of normal management."

After 20 years, Yale's three-year joint Forestry and MBA degree has become the school's most popular joint-degree MBA program. James Levy, a student who will graduate in May, studied economics as an undergraduate and became interested in energy issues while working as a consultant. He enjoys the intellectual stimulation of moving between two seemingly different disciplines. "The two schools have very different atmospheres," he says. "Sometimes, it's refreshing to go from one school to the next."

Mr. Levy's résumé reveals that blue-chip companies are interested in his expertise. He has interned at Xerox and General Electric; currently, he is developing a cost-accounting tool to help companies evaluate environmental projects for an international environmental consulting firm in Cambridge, Mass. He adds that the program has taught him about "making environmentally beneficial decisions that also make good business sense."

Corporations may well be paying much more than lip service to such a combination of motives, but programs in environmental management remain a noxious track at most graduate business schools.

"It's stronger than it was, but still relatively tiny," says Dick Kwartler, publisher of the MBA Newsletter. "It may grow if corporations want it."

Charles Hickman, director of projects and services at the International Association for Management Education, says: "Environmental programs have been growing steadily, but not dramatically or with as much razzle-dazzle as the new information technologies. But there's no doubt that for some employers, it's knowledge they value and need."

Mr. Garstka says: "The environment adds value to a firm. It's not something outside of the mainstream anymore."

MANAGEMENT TRAINING FOR THE KNOWLEDGE ECONOMY

Information strategy is on its way to becoming a core requirement in the business curriculum.

Today, business schools have woken up to the power of new technologies, exemplified by the Internet, that can be used to gather consumer data. New courses and academic tracks are teaching students how to gather and assess new data sources — and how to avoid being inundated by them.

Such courses don't deal with specific software programs, which may well become outdated by the time the students graduate.

"We don't teach students how to use spreadsheets and basic tools," says Mike Uretsky, chairman of the Information Systems Department at New York University's Stern School of

MIT's Sloan School has just announced a major collaboration with Merrill Lynch to develop a program in information technology development and financial engineering. Such courses point to the newfound importance of systems analysts in the corporate structure.

"Merrill wants to recruit a very different person to provide leadership," says Ed Roberts, a professor of technology at the Sloan School.

Adds Ms. Evans: "The days are over when the person with a technical background is relegated to the back office."

Data mining

The volume of data available for target marketing is rising exponentially, Mr. Uretsky says, and all students need to learn how to search the data for hidden nuggets — a field known as "data mining."

"The large volume of data makes it possible to make business decisions beyond what you could do five years ago," Mr. Uretsky says.

Says Howard Frank, dean of the Robert H. Smith School of Business at the University of Maryland: "When an MBA graduates, he or she needs to understand the disciplines regarding technology, what commerce is doing to the marketplace and how to deal with data. Information strategy has penetrated across every aspect of traditional fields."

The information industry has changed the nature of whole disciplines, adds Gary Kohler, an information professor in Florida.

The Internet is also getting rid of intermediaries, such as the old door-to-door insurance agents. On the other hand, a "cyber" insurance agent must know how to sift through available consumer data.

"I see new intermediaries sifting data," Mr. Kohler says. "Ultimately, we all turn to these new types of agencies and

services to provide a search for us. It's too hard on our own. On the Internet, they're giving away services just to get demographic information on people."

New business model

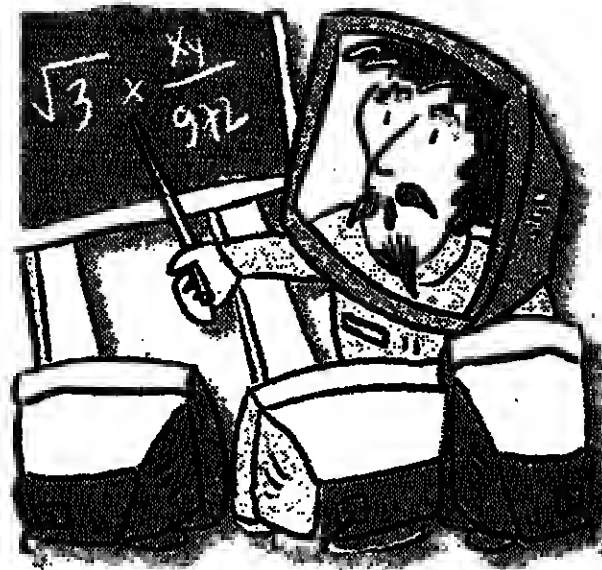
Such information-gathering is allowing marketers to get ever closer to their customers, says Anthony J. Paoni, a professor of information technology at Northwestern University's J.L. Kellogg School. A winning strategy requires

as much information on consumers as possible. Mr. Paoni cites United Services Automobile Association as a company that exemplifies the use of information technology as a competitive tool. When a customer has a child, for example, USAA collects data on the type of delivery, weight and other seemingly trivial data. The company can then tailor products, such as children's car seats, to the individual consumer.

Information systems don't have to be proprietary and, in the new information economy, many shouldn't be. Several professors cite IBM's having made its operating system available to competitors, unlike Apple, which kept its system to itself. The result? IBM's DOS dominates the market, and Apple is an also-ran.

Mr. Paoni terms such companies "greenfield operations,"

because they approach the new information economy as a "fresh green field," rather than with any preconceived notions. While older industrial companies tended to board information, Mr. Paoni says, "Greenfield companies share information." He adds: "What worked in an industrial economy doesn't work in an information economy. The structure of an organization either permits or prohibits information inflow. Traditional pyramids don't work."



NEW CAREER PATHS

Continued from page 11

That helps explain the popularity of distance learning via the personal computer, even at elite schools. Wharton Direct, for example, is part of the Wharton School of the University of Pennsylvania.

Mixed degrees allow students to study their main area of concentration while earning an MBA. Stan Garstka, deputy dean of the Yale School of Management, sees mixed degrees as "the new renaissance of management. We're not so narrowly focused on traditional areas." At Yale, God and Mammon meet in a joint degree with the Divinity School.

Changing fast
Observers are still playing catch-up with the revolution in MBA careers.

Mr. Snyder cites Business Week's much-discussed dropping of Stanford, generally considered, along with Harvard, as America's finest business school, to seventh in its annual report.

Many criticize Business Week because its rankings are based on established corpo-

rate positions and salaries and don't take into account the large number of graduates of Stanford, Silicon Valley's intellectual epicenter, going into high-tech start-ups.

In fact, so many MBAs are going down so many roads not previously taken that they're making the degree even more valuable.

Many expected the explosion in the number of American graduate business schools in the last decade to spread qualified faculty, resources and qualified applicants too thin. Instead, U.S. business schools are booming.

"I've found that many companies suddenly said, 'Well, we may need a defined policy of hiring MBAs because they bring a market basket of skills that is unique,'" says Mr. Kwartler. "That's a sea change. The ability of MBAs to deal with global marketing and the Information Age is so astounding that companies have got to have them. If there is a drop in investment banking, high-tech firms take up the slack. The future looks brighter than ever for MBAs."

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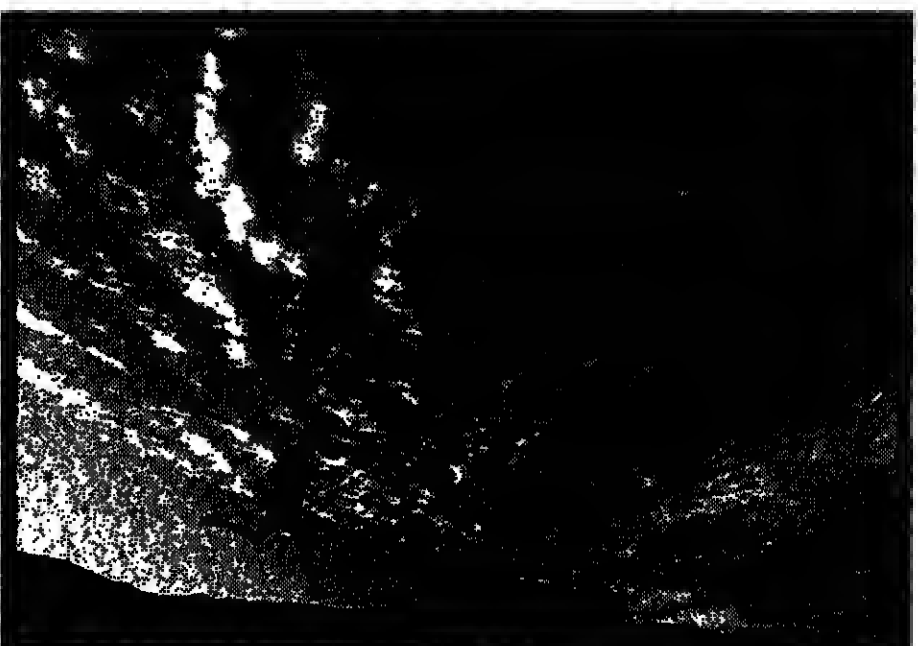
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SCHOOLS ARE A BREEDING GROUND FOR ENTREPRENEURSHIP

Business schools and universities are not only teaching entrepreneurship, but are also helping to launch new start-ups via business "incubators."

Most universities like to take advantage of their communities' resources, but 12 years ago, the University of Alabama at Birmingham found itself propping up a dying city. After the steel industry left, the university founded one of the first modern business incubators to apply some of the discoveries taking place at the school's research hospital.

In the last 12 years, the university's incubator has developed 60 companies and 1,273 jobs.

The MBA program is integral to the incubator's success; students submit marketing and business plans to fledgling companies.

"When you have a scientist operating a business, he's a scientist, not a businessman," says Wilson Harrison, head of the university's Office for the Advancement of Developing Industries. "He needs all the help he can get."

Hands-on experience
Of nearly 600 business incubators in the United States, the National Business Incubator Association estimates that more than one-quarter are affiliated with a university.

Most are oriented toward scientific or technological research. Only a handful are tailored to realizing business students' ideas for new companies.

As studies in entrepreneurship move into the mainstream at most business schools, however, incubators are becoming a focus for hands-on experience that allows students to work on real-life projects.

At many schools, business students think up and research companies themselves.

Venture capital MIT had one of the first incubators. After World War II, MIT President Cal Compton wanted to adapt military research to private uses, so he organized a venture capital fund with alumni.

Currently, MIT's Sloan School of Business encourages as much interaction as possible between engineering and business students.

Among the results have been many of the high-tech start-ups that have reinvigorated the Boston area's economy.

Professor Ed Roberts sees the entire university as a giant incubator. But just to make sure, the school runs the MIT \$50K Entrepreneurship Competition, with the highest prize in the country.

Most schools must nurture students' ideas themselves; but at MIT, outside investors line up to finance winning ideas at the country's premier university of applied science.

Similarly, the University of Maryland is developing a partnership with the engineering school. MBA candidates will work to help technology innovators realize their vision in the marketplace.

Applied research Rensselaer Polytechnic Institute's incubator is the direct result of the Upstate New York school's decision in the mid-1970s to shift its primary emphasis from undergraduate work to research.

"It all started to spin off," says Mark Rice, director of RPI's entrepreneur center, referring to companies that arose out of laboratory work. Mr. Rice began one of the original companies at the incubator.

"From the beginning," he says, "the incubator was designed to interact with the university." Students work on projects as interns or as part of class projects.

According to Wendell Dunn, executive director of the Batten Center for Entrepreneurial Leadership at the University of Virginia's Darden School of Business, the university is building a research park that will include an incubator to be used by business students.

Currently, students who want to start a business bring their ideas to their courses and can work on them for credit over the summer. Funds are occasionally made available to

defray research expenses. One student, now too busy to complete his MBA, began an Internet company that grosses \$50 million.

Bill Bygrave, the director of Babson College's Arthur M. Blank Center for Entrepreneurship, dislikes the word "incubator." "Most are failures and mediocrities," he insists. He prefers Babson's equivalent, to be called a "hatchery."

One of its current projects, Access Health Networks, a health-maintenance discount card, was begun by a student who had worked as a pharmacist.

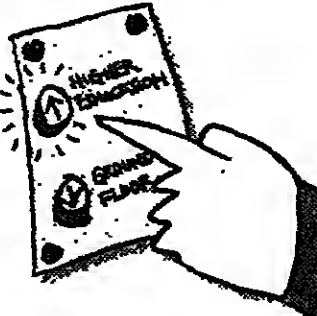
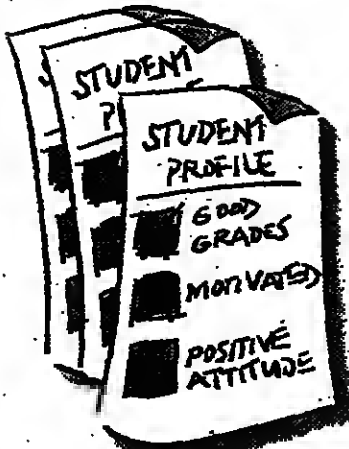
Another student hatched the idea for his company, Krackers, which places advertising before entering Babson.

A piece of the pie Columbia University and the University of Michigan are taking the incubator concept one step further. They are both planning to invest in student start-ups and thereby take a stake in the new companies.

"They have put their money where their courses are," comments Dick Kwartler, publisher of the MBA Newsletter.

The schools have to navigate rules concerning conflicts of interest and their nonprofit status.

"This is a new step," says Mr. Kwartler. "Many schools are heavily involved in new ventures anyway."



Tuesday

Business Education in the U.S.

ON-LINE RESOURCES

The International Association for Management Education
<http://www.aacsb.edu>
The leading association of U.S. business schools.

The MBA Program Information Site
<http://www.mbainfo.com>
Details of more than 1800 MBA programs from the world's major universities, business schools and management colleges in 120 countries.

The MBA Career Services Council
<http://www.mbaacc.org/>
A global association for graduate management career services professionals who represent degree-granting programs (AACSB-accredited or members of GMAC).

Graduate Management Admissions Council
<http://www.gmat.org>
The official site of the Graduate Management Admissions Council. Includes information on the GMAT, MBA fairs and other useful information.

MBA Employment Connection Association
<http://www.MBAnetwork.com>
Graduates can post resumes or job queries.

EMDSnet.com
<http://www.emdsnet.com>
EMDS organizes more than 30 MBA and career events around the world and provides MBA graduates from U.S. business schools with the opportunity to meet leading European and international employers.

Career Central
<http://www.careercentral.com>
Offers free software to MBA students and targets business school alumni and students.

Career Web
<http://www.careerweb.com>
Has job offers, resume postings and job matching.

Career Guide
<http://www.careerguide.com>
Features a wide selection of top international recruiters and business schools.

Career Path
<http://www.CareerPath.com>
Links to the job pages of more than 100 newspapers around the United States.

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PROGRAM DIRECTOR: Bill Mahler.

EXECUTIVE LEARNING: BE PREPARED WHEN DISASTER STRIKES

Executive education in crisis management prepares top managers to communicate effectively to their staffs and the press during disaster situations.

When Martin Stoller asked an executive education class how many attendees served on their companies' crisis committees, not one hand was raised. Mr. Stoller, who teaches a course in crisis management at Northwestern University's J.L. Kellogg School and is himself a former crisis manager, calls this "corporate denial."

"People don't want to deal with it," he says.

Most executives don't want to study something that they may never use, so they don't learn or understand crisis

management until it's too late — when they're in the thick of a crisis. Or so says Mr. Stoller, who devotes two full days to a subject most companies spend much less time on.

Such training transcends public relations, moving into the realm of what he calls "basic tools of persuasion," how to project character, make an argument and use language that has meaning and hasn't been watered down into corporate-speak.

Nor do these skills come into play only in extreme, public situations like the Exxon Valdez spill, Dow Chemical's

Bhopal explosion or Tylenol packages that had been tampered with. Baring's Plc. executives had to confront a situation that was ultimately much more damaging to the

'Crisis management is one of those things that people don't know they need until they need it.'

company; and there are smaller such fires every day in large corporations.

Managers need training on how to understand and work with the media and, above all, how to provide information.

Says Dick Kwartler, publisher of the MBA Newsletter: "As we move into the so-called Information Age, a lot of corporations are providing less and less information," he says. "They're obsessed with confidentiality when it's unnecessary."

In a crisis, instead of getting out the corporation's side of the story, unprepared executives may come across as stonewalling the public.

Susan Lowance, director

of MIT's Sloan School Continuing Education, knew that the subject was being given more prominence by at least some forward-looking companies when she was invited to help the Boeing Corporation formulate a course on "Crisis Management."

"It's not a big deal," comments the University of Maryland's Howard Frank. "Our executive education deals with updating skills and

"That was an indication that we should be paying attention to this," Ms. Lowance says.

Appropriately, the airplane manufacturer took the pressure of a cockpit as the dominant metaphor for the decision-making process in a corporate environment.

Sloane's course, entitled "Situational Strategic Planning," gives managers the tools they need to communicate effectively in crisis situations.

"Whether it is managing change or a dramatic announcement or responding to an environmental crisis, we build it into the course," says Ms. Lowance.

The Syracuse University School of Management is able to use the public-relations faculty at its sister

school, the Newhouse School of Communications, to teach a course included in its MBA Upgrade program.

For most schools, however, the subject remains on the periphery of management courses as now offered.

"It's not a big deal," comments the University of Maryland's Howard Frank. "Our executive education deals with updating skills and

information management."

As Robert Mittlestaedt, director of executive education at the Wharton School of the University of Pennsylvania, puts it: "It's one of those things that people don't know they need until they need it."

Even so, he adds: "I've never seen the market for a separate, stand-alone course. It's like selling a course in ethics. No one signs up."

Illustration of a person sitting at a desk with a book, looking thoughtful.

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CURRENCY

Making a Reality Of Re-engineering

By Claudia H. Deutsch
New York Times Service

NEW YORK — Without question, this has been the decade in which software moved into the industrial designer's world. In corporate offices across the country, engineers have been booting up programs that let them tinker, in three dimensions, with every permutation and combination of a product's design.

Be the item as lowly as a dinner plate or as complex as a Boeing 777 jet, the goal has always been the same: to save time and money in getting products to market.

It was just a matter of time before engineers would aim their computers at designing and refining the assembly lines on which those products are made.

Apparently, that time has come.

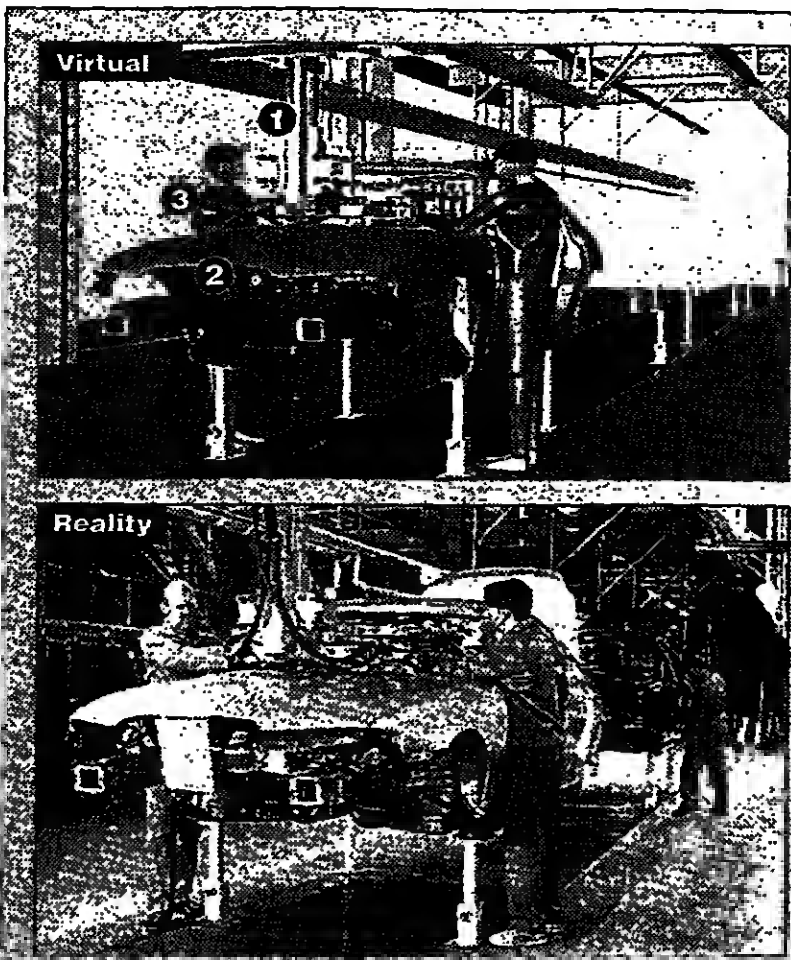
Before it approves a design for a new car or van, Ford Motor Co. checks the plan against computer models of its factory floor. Often, through subtle changes like relocating a few seams or shaving a few millimeters from the length of a fender, Ford can lop weeks off the time it takes to prepare an old plant to make a new car.

Dow Chemical Co. now uses computers to simulate its methods for making plastics, running what-if scenarios to fine-tune the temperatures, pressures and rates at which it feeds in raw materials.

Dow can now switch production among 15 different grades of plastics in minutes, with almost no wasted material. Before computer modeling, the process took two hours and yielded lots of useless by-products.

International Business Machines Corp., the world's largest computer maker and an early convert to factory simulation software, has learned that its assembly lines can

See DESIGN, Page 16



Turning Virtual Factories Into Real Ones

Computer-aided design systems are being used to improve the design of assembly lines. Here is how the British automaker Rover used software from Tecnomatix to design part of the factory in Oxford, England, where it is building its new luxury car, the Rover 75.

1. To reduce costs, Rover wanted to use widely available factory equipment. It designed this work station, where dials are installed, using an off-the-shelf robot.
2. To make engine assembly easier, the front bay was left open through much of the assembly process, a change from earlier models.
3. To test ergonomics, the software used intelligent mannequins that change color depending on the stresses on the body to find the best position for each worker. One result: the car is raised and lowered throughout the assembly process to put workers in the best position for each task.

Comcast to Buy MediaOne Group

Cable Consolidation Accelerates

PHILADELPHIA — Comcast Corp. said Monday that it had agreed to acquire MediaOne Group Inc. for \$48.65 billion in stock, the largest deal yet in the consolidating U.S. cable television industry.

The new company would serve 11 million cable customers with a potential market of 18 million homes. The two companies generated a total of more than \$8 billion in revenue last year.

In addition to operating the fourth-largest cable system in the United States, Philadelphia-based Comcast owns a 57 percent stake in the home-shopping cable network QVC Inc. It also owns the National Hockey League's Philadelphia Flyers, the National Basketball Association's Philadelphia 76ers and stakes in the El and Golf Channel cable networks.

MediaOne, based in Englewood, Colorado, is the No. 3 cable provider in the United States after Time Warner Inc. and AT&T Corp. It also has interests in wireless communications businesses outside the United States serving more than 3 million customers. After the deal, the combined company will trail only Time Warner among U.S. cable companies.

"Cable companies have clearly decided that bigger is better," said Alan Lyons of ABN-AMRO Holding NV. "The battle lines for local competition are being drawn as cable companies step in as alternative providers of phone services and Internet access."

Under the agreement, MediaOne shareholders will receive 1.1 shares of Comcast stock for each MediaOne share. That provides a premium of about 30 percent above MediaOne's closing price Friday of \$60.75 a share.

MediaOne shares finished up \$7.75 at \$68.50, while Comcast shares fell \$6.50 to \$63.625.

Comcast will also absorb more than \$10 billion in debt held by MediaOne. MediaOne shareholders will own 64 percent of the combined company.

The agreement has been approved by the boards of both companies but is subject to the approval of shareholders of both MediaOne and Comcast and of federal and local regulatory agencies.

Ralph Roberts, chairman of Comcast, would be chairman of the combined company, and Brian Roberts, the chief executive of Comcast, would be president.

Charles Lillis, president, chief executive and chairman of MediaOne, is to be vice president of Comcast and a member of the Comcast board of directors, along with three additional MediaOne designees.

Part of the motivation for the deal is the growing lure of the Internet. Cable networks can transmit multimedia Internet content, such as music and video clips, faster than phone lines.

Audio and video applications are expected to account for 6 percent of Internet traffic by 2003, three times that of last year, according to Datamonitor PLC, a British market research company.

"Together, we will be optimally positioned to develop and provide nationally branded broadband services across our principal lines of video, voice and data," Mr. Lillis said.

The agreement would allow MediaOne to accept a better offer, but it would have to pay Comcast \$1.5 billion for breaking the deal.

(AP, Bloomberg, NYT)

Court Tells Gucci to Negotiate With LVMH on Takeover Bid

Compiled by Our Staff From Dispatches

AMSTERDAM — Gucci Group NV must begin negotiations with LVMH Moët Hennessy Louis Vuitton SA of France over LVMH's \$7.9 billion takeover bid, a Dutch court ruled Monday.

The court gave LVMH back its voting rights on its 34 percent stake in Gucci. They were suspended March 2. It also upheld an agreement between the French retailer Pinault-Printemps-Redoute SA and Gucci in which Pinault will take a 40 percent interest in Gucci. But the court suspended any parts of the agreement that would hamper the negotiations between Gucci and LVMH.

The judges also said Gucci's current management and supervisory board would have to enter negotiations with LVMH, meaning that

Pinault will not be able to install new members on Gucci's board, as had been planned.

Gucci said earlier Monday that it was seriously considering the \$81-a-share offer from LVMH. The French group's bid, made Sunday, includes shares in Gucci that are owned by Pinault.

Gucci expanded its share capital by 40 percent last week to ward off what has become a hostile acquisition attempt by LVMH.

In the case heard Monday in Amsterdam, LVMH was trying to overturn defensive moves made by Gucci this year that made it difficult for LVMH to gain a majority of the company's shares. In January, Gucci issued about 37 million shares to its employees to deter an earlier bid from the French company.

Shares in Gucci rose sharply Monday as

investors speculated that LVMH will increase the \$81-a-share offer or that another company will make a counter-bid. The stock rose to 73.45 euros (\$79.30) per share on the Amsterdam Stock Exchange, an increase of 9.6 percent. In New York in late trading, Gucci shares were up \$1.125 at \$82.125.

Both Gucci and LVMH claimed victory in the ruling.

"The court has indicated the suspicion that the deal entered into between Gucci and Pinault was without good intentions," said James Lieber, adviser to the LVMH chairman, Bernard Arnault. "The negotiations that we will enter into with Gucci regarding our offer are on the basis that our offer can only go through if the Pinault agreement is terminated as a result."

Gucci said it was happy that the court had rejected LVMH's bid to annul Pinault's voting rights and a request to appoint an independent body to oversee the company's affairs.

"The court has left the supervisory and management board unchanged to manage the affairs in the best interests of all shareholders," Gucci said in a statement.

"With LVMH," said Simon Raggett, retail analyst at Williams de Broe, "there is some value to add, and they know what to do when things go wrong, whereas Pinault is mainly a mass market retailer. For Pinault, there's the danger of turning yourself into an underperforming conglomerate."

LVMH proposes melding Gucci with its own fashion operations.

(AP, Bloomberg, Bridge News, Reuters)

Thinking Ahead / Commentary

Japan's Third Great Transformation?

As the Gloom Lifts, Hints of Change Toward a Real Market Economy

By Reginald Dale
International Herald Tribune

WASHINGTON — For most of the 1990s, anyone who took a pessimistic view of Japan would have been right, at least in the short run. Hopes of an end to the country's longest post-war recession have consistently been dashed, and the once triumphant Japanese economic model has been widely discredited.

Confronted with unaccustomed economic stress, many Japanese appeared to have lapsed into paralysis. Some said that, at least until recently, Japan seemed to have been waiting for a miraculous deliverance, along the lines of the divine wind, or *kamikaze*, that destroyed the invading ships of the Mongol emperor Kublai Khan seven centuries ago.

If the wait was obviously in vain, that may not be a bad thing. For the challenge facing Japan today is not somehow to preserve itself as a fortress against the powerful forces now swirling around it, in the form of economic globalization, but to embrace those forces and adapt to them.

And that, in the view of an increasing number of Japanese and some Americans, is exactly what is finally beginning to happen. The intense competitive pressures of the global age are forcing Japan to initiate radical changes in its traditional economic, social and even political structures.

According to some prominent Japanese thinkers, the changes now on the way could ultimately be more far-reaching than the country's previous two great adjustments to the outside world — first in the mid-19th century and then after World War II.

Both previous openings were incomplete as social revolutions, writes Hisashi Owada, president of the Japan Institute of International Affairs, in a recent paper for the Trilateral Commission, because each was "a quick fix to graft new ideologies and new institutions onto the old sociocultural substructure of traditional Japanese society."

By contrast, he writes, in the latest, third wave of opening, Japan is undergoing "a major societal transformation" that will probably take a decade to complete.

The challenge facing Japan today is to embrace the forces of economic globalization and adapt to them.

What is at stake, says David Hale of the Zurich financial-services group in Chicago, is whether Japan will finally become a genuinely capitalist country, allowing market forces rather than the traditional triangular establishment of bureaucrats, politicians and business leaders to guide most economic decisions.

He, too, says that Japan is on the verge of structural changes "with no parallel in the 20th century," largely because it has no choice. The massive buildup of problem loans in the banking sector, a crisis of corporate profitability, enormous fiscal deficits and huge shortfalls in the pension system will force Japan to move toward a market economy, Mr. Hale told the Economic Strategy Institute in Washington last week.

Those who believe in the "sweeping transition" thesis broadly agree on what it has to involve to be successful: The changes must include major corporate restructuring, as already begun by companies such as Sony Corp. and NEC Corp., and a shift from Japan's traditionally egalitarian and collective society to one that is more individualistic and creative.

That will require big changes in education, a drive to retrain displaced workers and a stronger social safety net to make higher unemployment more palatable. Corporations will increasingly have to orient themselves toward profits, and political parties toward policies that appeal to voters.

The implication is that Japan will become more open to foreign trade and investment, indeed that it will need to do so in order to unleash what a senior U.S. official calls "the natural competitive senses of the Japanese people." That is good news for Japan's trading partners.

Such ideas are not new. They have been discussed for years among the Japanese elite. It is understood that they mean Japan must become less unique and more like other successful industrial countries. "We will not be the same, but we will have to play on the same field," says one business executive.

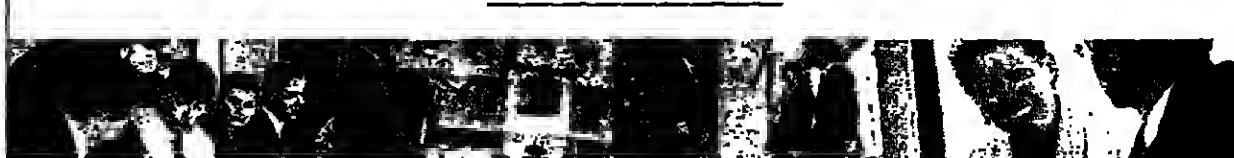
What is new is that, whatever the short-term outlook, the ideas look more likely to be implemented. The wind that is whistling around Japan is not divine. It is the same wind of change that is blowing around the rest of the world.

E-mail address: Thinkahead@ihr.com

CURRENCY RATES

Cross Rates					March 22					Other Dollar Values					March 22				
	\$	£	SF	Yen	C\$	Dmk	Scd	Swe			Per	Cor	Per	Cor			Per	Cor	Per
London (d)	1.6278																		
New York (d)		1.6281	1.4632	118.115	1.5027	6.835	294.62	8.2111											
Tokyo																			
Toronto	1.508	2.4557	1.0304	1.2789		0.2213	0.5119	0.1839											
Zurich	1.4648	2.3839		1.2411	0.9715	21.4995	0.4967	0.1785											
One euro	1.0844	0.6477	1.5966	128.00	1.6434	7.4317	321.55	8.9325											
One SDR	1.3654	0.8418	2.0036	160.862	2.0754	9.3042	402.778	11.159											
Interbank rates excluding commissions																			
30-day forward rates of the IMF																			
Source: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Banque de France (Paris); IMF (SDR); Other data from Reuters.																			
Euro Values																			
Fixed rates of the EMU member currencies, for one euro																			
Austrian schilling	13.7603																		
Belgian/Lux. franc	40.3399																		
Dutch guilder	2.3637																		
French franc	6.55957																		
German mark	1.93608																		

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MONTREAL TEL. 508 2/96 35 14 • MIAMI TEL. 1 305/575 78 00 • HONG KONG TEL. 852/28 26 79 88 • SINGAPORE TEL. 65/333 63 31

Monday's 4 P.M.

Monday's 4 P.M.
The 1,000 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press

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1. 姓名: 王德明
 2. 性别: 男
 3. 年龄: 45
 4. 民族: 汉族
 5. 籍贯: 山东省济南市
 6. 职业: 教师
 7. 学历: 大学本科
 8. 婚姻状况: 已婚
 9. 健康状况: 良好
 10. 兴趣爱好: 阅读、运动
 11. 自我评价: 为人正直, 工作认真负责
 12. 推荐理由: 该同志政治立场坚定, 业务能力突出, 群众基础扎实, 符合岗位要求。

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一、關於「新學制」之實施，應注意之點：
 1. 應注意學生之身心發展，及生活環境之適應。
 2. 應注意學生之學習興趣，及學習動機之培養。
 3. 應注意學生之學習方法，及學習習慣之養成。
 4. 應注意學生之學習成果，及學習態度之表現。
 5. 應注意學生之學習過程，及學習經驗之累積。
 6. 應注意學生之學習環境，及學習資源之利用。
 7. 應注意學生之學習時間，及學習空間之安排。
 8. 應注意學生之學習進度，及學習目標之達成。
 9. 應注意學生之學習質量，及學習效果之評估。
 10. 應注意學生之學習態度，及學習習慣之養成。

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[illegible][illegible]**AMEX**

Monday's 4 P.M. Close
The 150 most traded stocks of the day,
up to the closing on Wall Street.
The Associated Press.

[illegible]**NYSE**

Monday's 4 P.M. Close
(Continued)

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EUROPE

After Huge New Mall, A Fork in the Road?

Britain Ponders Impact of Big Centers

By Tom Buerkle
International Herald Tribune

DARTFORD, England — Nestled inside the cliffs of an abandoned chalk quarry in the Kent countryside southeast of London, the Bluewater shopping center gives only a hint of its vast expanse at first sight.

But the distinctive mall, with its triangular shape and a silver roof studded with cone-shaped air ducts, appears destined to leave a sizable and lasting impression on the British landscape.

The mall, which opened last week, is the largest in Europe and represents the high point of a two-decade binge of commercial development that has brought American-style sprawl to the suburbs of Britain.

With 320 shops, 36 restaurants and a 12-screen cinema spread over 1.7 million square feet (158,000 square meters) of space, Bluewater combines the retailing diversity of London's West End, developers say, with the convenience and comfort of a climate-controlled, edge-of-town mall. Bluewater is expected to attract 30 million shoppers a year and generate sales of \$655 million (\$1.06 billion).

"It's going to be very successful because this is the kind of shopping people in this country like," said Richard Hyman, chairman of the retailing consultancy Vendia.

But Bluewater is also likely to be the last of its kind. The Labour government of Prime Minister Tony Blair has promised to steer development back into city centers to regenerate rundown urban areas and discourage the growth of automobile traffic.

Planning Minister Richard Caborn said recently that there would be no more suburban megamalls because that type of development was "damaging to the economic prospects of our town centers."

Such development, he said, "excludes all those who do not have access to a car" and "makes us all more dependent upon the car and increases the overall amount of car use."

Sensitive to the changing political climate here, Lead Lease Corp., the Australian development company that built and manages Bluewater, has sought to buttress its environmental credentials. The company has provided subsidies to ensure that as many as 80 buses an hour get to the mall from local towns and has established a shuttle to meet trains from central London.

"It's radically changed public-transport patterns in the area," said Rob Scott, the deputy director of planning and development in Dartford.

But the public transportation is aimed more at mall workers than at shoppers, whose preference for the car has been catered to in style. Bluewater has a 13,000-space parking lot, and Lead Lease spent \$25 million to widen local access roads. Even so, congestion on local highways — including the Dartford crossing of the Thames on London's M25 ring road, where five-mile-long (eight-kilometer-long) backups are frequent — appears bound to worsen.

"The only thing I'm worried about is whether we've got their traffic forecasts correct," said Michael Pead, head of the local Chamber of Commerce. "I'm just hoping that they have."

Traffic concerns aside, Bluewater has been welcomed with relative open arms in Dartford. The mall is creating 6,700 jobs, and its stable of brand-name shops such as Gap, Austin Reed and Habitat do not compete directly with local merchants.

What's more, the mall is just the first installment of more than £2 billion of development that will transform Dartford and nearby towns in the so-called Thames gateway area 15 miles southeast of London. There will be a major hospital, a science center, a passenger terminal for the planned high-speed rail link to the Channel Tunnel and eventually as many as 30,000 new homes, including 10,000 that Lead Lease is building next to Bluewater.

Lead Lease has spent three and a half years and £350 million to build the mall, and retailers have spent nearly as much to fit out their shops. It appears to be money well spent, if only because the government's ban on new malls should limit competition.

"We've got a captive market," said Stewart Hornery, chairman of Lead Lease. "That allows you to be pretty confident about what you're doing."



The Bluewater shopping center in Kent, Europe's largest mall, includes 320 shops, 36 restaurants and a 12-screen cinema.

And what a market it is. About 10 million people, including residents of much of the wealthy "stockbroker belt" of southeast England, live within an hour's drive of Bluewater. Ultimately, Lead Lease predicts the mall will lure shoppers from as far as Cambridge, 50 miles north of London, and northern France and Belgium, when the high-speed rail terminal opens in 2007.

Bluewater is the company's flagship development in Europe, and Lead Lease has ambitious plans to expand on the Continent, beginning with a shopping center in suburban Madrid. But the company also is laying bets on urban regeneration in Britain. It is redeveloping city shopping centers in Dundee, Scotland, and Solihull, near Birmingham, and is drawing up plans to renovate the 1 million-square-foot shopping center in Milton Keynes.

Vivendi to Pay \$6.2 Billion For U.S. Filter

Compiled by Our Staff From Dispatches

PARIS — Vivendi SA, the French utilities and communications conglomerate, agreed Monday to pay \$6.2 billion in cash to acquire U.S. Filter Corp., the largest water-treatment company in the world.

The acquisition is the largest yet in the United States by a French company and is Vivendi's second move in that market this month.

Vivendi is offering \$31.50 for each common share of U.S. Filter, or \$1 more than the closing price Friday. Vivendi's shares were not traded Monday on the Paris Bourse.

The transaction ties Vivendi and its stakes in water utilities worldwide to U.S. Filter's global equipment distribution and its strong U.S. sales.

It also represents a turnaround for U.S. Filter, which has bought more than 160 companies since its creation in 1990.

Some analysts questioned the price that Vivendi had agreed to pay. Six billion dollars is "a lot of money for a company that has quite a load of debt," said Marie-Christine Livinec of KBC Securities.

(Bridge News, Bloomberg)

Takeover Bids Lift Italian Bank Shares

Compiled by Our Staff From Dispatches

MILAN — Shares of Banca Commerciale Italiana SpA and Banca di Roma SpA surged Monday after separate takeover bids.

Banca Commerciale rose 36 cents, or 5 percent, to close at 7.57 euros (\$8.28) after UniCredit SpA launched a \$16 billion takeover.

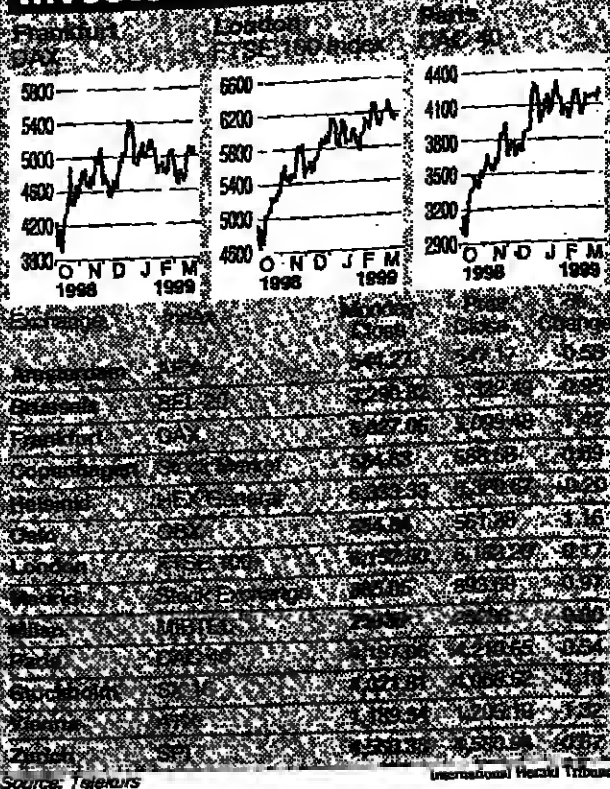
Banca di Roma rose 11 cents, or 8 percent, to 1.52 euros after San Paolo-IMI SpA offered \$8.2 billion for the bank.

An official of Banca di Roma said the bank welcomed the bid from San Paolo-IMI, adding that the bank had been seeking a stronger partner.

The chief executive of UniCredit, Alessandro Profumo, stressed that his bank's offer for Banca Commerciale was a friendly bid. Investors appeared encouraged by a statement from Prime Minister Massimo D'Alema, who said the deals would strengthen Italy's banking system.

The moves are the latest in a wave of European bank merger plans after the introduction of a single European currency. (AP, Bloomberg)

Investor's Europe



Very briefly:

• Air France expects to take its Concorde out of service from 2007 as the supersonic jets become too expensive to operate. The airline's fleet of six Concorde are flying half empty and the \$60 million cost of overhauling them every five years could make the service unprofitable.

• Mediaset SpA of Italy and Kirch Group of Germany reopened the door to Rupert Murdoch as they called for more broadcasters to join their European television alliance. Talks with the News Corp. chief on his taking a minority stake collapsed this month over price.

• Canterbury Healthcare Ltd., a privately held British company, agreed to buy Westminster Health Care Holdings PLC, one of Britain's biggest nursing-home companies, for £214 million (\$348.6 million).

• Spainair SA placed an estimated \$800 million order for 21 planes with Airbus Industrie and could order as many as 45 aircraft if it exercises all options in the deal. The Spanish airline is preparing to expand in Europe.

• Britain posted a fourth-quarter current-account surplus of \$954 million, despite forecasts of a deficit of about £1.5 billion. Separately, the government lowered its estimate for growth in the period to 0.1 percent, the weakest since the second quarter of 1992, from 0.2 percent.

• Austria's current-account deficit of 300 million euros (\$328.1 million) in January was unchanged from a year earlier, as increased spending by short-term visitors was offset by a capital outflow to pay foreign investors interest on bonds.

• Credit Suisse Private Banking acquired Gestio Integral, raising its assets in Spain to 2.5 billion Swiss francs (\$1.71 billion). Gestio Integral is a Madrid-based family business specializing in private banking services.

• Russia set up an agency to restructure its tottering banks. The Agency for Reconstruction of Credit Organizations is expected to submit a list in April of the first banks that it plans to assist. It said its current funding was only one-tenth of the 100 billion rubles (\$4.23 billion) necessary for restructuring.

• The Czech Republic's recession deepened in the fourth quarter, with gross domestic product contracting 4.1 percent from a year earlier as exports declined. (Bloomberg, AP, Reuters)

WORLD STOCK MARKETS

Monday, March 22

Prices in local currencies
in euros for ECU countries.

High Low Close Prev.

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ASIA/PACIFIC



MARKET FORCES — Chinese farmers taking produce to Beijing on Monday. The central bank has decided to expand its lending to farmers via China's rural credit co-operatives.

Thais Go on Warpath Against EU

Ending of Preferential Trade Privileges Stirs Calls for Boycott

By Thomas Crampton
International Herald Tribune

BANGKOK — Seri Wongmaha, a popular talk-show host with four radio and four television programs each week, considers himself a fighter against injustice and a champion of consumer rights.

After claiming a key role in the recent breakup of Thailand's long-standing whiskey monopoly, Mr. Seri has set his sights on what he calls a dangerous new enemy of the Thai people: the French.

Recently on his radio program, called "Today's Facts," he said a French-led European conspiracy was working to undermine the Thai economy, and he called for the Thai people to boycott French goods.

He was referring to the European Union's action to strip developing-nation tax privileges from Thailand. The tax privileges were originally extended to assist developing nations by reducing European duties for certain products, such as canned shrimp and fruit.

When those products reach a certain market share in Europe, the tax privileges expire and higher import duties are charged; this happened on Jan. 1 to Thai shrimp, which now face an import duty of 12 percent, instead of the developing-nation rate of 9 percent. Canned fruit producers face steeper changes, with import duties on their product doubling to 30 percent from 15 percent over a period of four years.

To Mr. Seri, and many in Thailand, the removal of the tariff privileges in the middle of a national economic crisis smacks of European selfishness, and there is a growing backlash of anti-European sentiment.

Thailand's economy, wracked from boom to bust after Bangkok's de facto devaluation of the baht set off the Asian financial crisis in July 1997. The currency turmoil has sent Thai exports to a flood of exports to Europe and the United States, increasing trade tensions, while slowing economic growth has come to dominate domestic politics throughout the region.

For their part, French and other European diplomats say the European Union has helped Asia generously. They say the clash in Thailand is based on misunderstandings exploited by vested interests.

The mass resignation of the European Commission following accusations of favoritism has further reinforced Mr. Seri's low opinion of the EU. If Europeans are corrupt even among themselves, he said, just think how willing they would be to take bribes from their own companies to help exploit small nations like Thailand.

But European diplomats say that the lost tax benefits had been discussed long ago and that Brussels had even slowed down the process as a concession to Thailand's economic crisis.

Mr. Seri is not convinced of Europe's good intentions, and he is not alone.

The Union of 18 Farming Communities, a Thai group claiming to represent 20 million farmers that is fighting removal of the preferential tariffs, has run newspaper ads illustrated with whip-wielding European characters and a harshly worded text accusing the EU ambassador, Michel Caillouet, of "strangling Thai farmers with his bloody hands."

"Europeans were happy to sell Louis Vuitton bags when times were good, but now ignore us when there are problems," said Narongchai Akrasanee, a former Thai commerce minister who is managing director of Seranee Holdings Co. "It doesn't work like that. If you want to get involved in Asia, you have to pay money during troubled times."

Senator Niramol Suriyasai, also chairwoman of Pichaya Thai Ltd., said that while Japan and the United States have made an effort to help out, she could not think of any special assistance that Europe had accorded Thailand since the crisis.

In fact, European diplomats counter, the baht value of Thai exports sold to Japan fell 13 percent between 1997 and 1998 while those to Europe increased more than 2

percent over the same period. Products undergoing tariff changes held or even increased their market share in Europe, the diplomats said.

European banks, the diplomats added, cut their loan exposure to Thailand just 22 percent over the period June 1997 to June 1998, compared with 30 percent by Japanese banks and 64 percent by U.S. banks.

Europe's share in the flow of foreign direct investment to Thailand tripled to 21 percent in the three years up to 1998 and European investors are the only foreign partners for whom the value of individual investment applications has increased over the same period, according to documents issued by the European Commission.

Bangkok Postpones Plan For Deposit-Insurance Unit

Bloomberg News

BANGKOK — Thailand delayed plans Monday to set up a deposit-insurance agency because the government needs more time to clean up the banking system first, a senior central bank official said.

The government now aims to establish deposit insurance by year-end, the Bank of Thailand said. But it said enforcement of the law was unlikely until the return of public trust in the banking system, which could take three years or more.

Thailand originally promised the International Monetary Fund it would complete the plan by the end of 1998. The IMF helped arrange Thailand's rescue program in 1997.

"We need more depositors' and investors' confidence in the banking system before setting up the deposit insurance institutions," said Kiti Pongpatthaporn, deputy governor of the Bank of Thailand. The program will not be included in the revised quarterly agreement with the IMF that is expected to be approved

Tuesday by the Thai cabinet.

The government currently guarantees all deposits at commercial banks and nonbank finance companies. The IMF wants a deposit-insurance body established to reduce the government's potential losses from any future closings of banks and finance companies.

The insurance plan is one of several promises Thailand made to the IMF that it has delayed implementing. It also postponed the sales of Bangkok Metropolitan Bank PCL, Siam City Bank PCL and Ratanasiri Bank PCL — originally planned for March — until later this year.

Hopes Pinned on Exports

Thailand plans to increase its exports to China and South Africa to meet this year's ambitious target of 4 percent growth in exports, officials said, Agence France-Press reported. The two countries represented 2 percent of Thailand's exports last year of 2 trillion baht (\$33.42 billion), an official said.

Seoul to Raise Aid for Jobless

Compiled by Our Staff From Dispatches

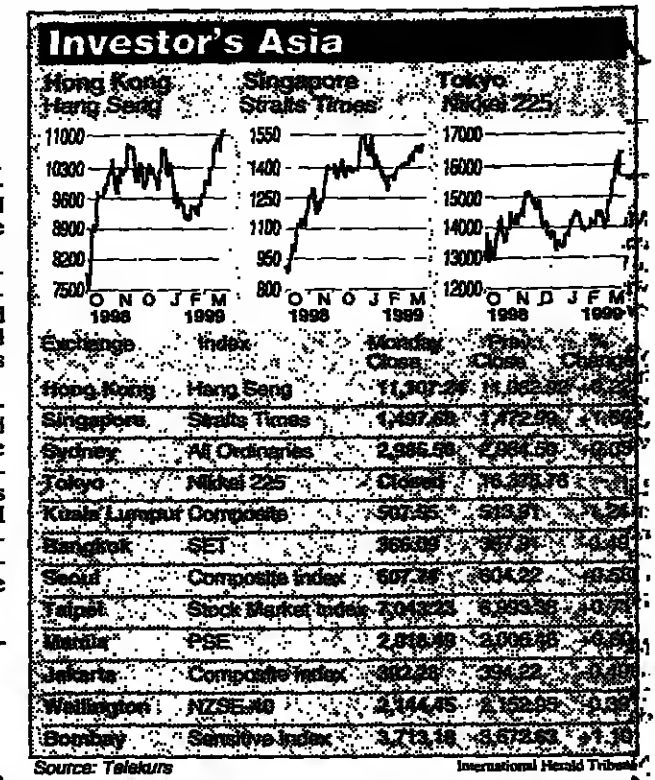
SEOUL — The governing coalition announced Monday plans to more than double the budget for unemployment benefits, to 16 trillion won (\$14.27 billion) from 7.7 trillion, as the government mapped out its fight against rising joblessness.

The plan by the National Congress for New Politics and the United Liberal Democratic Party was to be submitted Monday to President Kim Dae Jung.

"The unemployment policy will focus on increasing the number of jobs and retaining laid-off workers, including creating some 500,000 jobs in public works projects," the National Congress said.

Unemployment has risen sharply since the Asian economic crisis hit South Korea just over a year ago. The jobless rate reached 8.7 percent in February, the highest in 33 years.

Also Monday, the government warned it would get tough with illegal strikes as a union group threatened a rally to protest increasing layoffs. (Bridge News, AFP)



Very briefly:

- Hong Kong consumer prices fell 1.7 percent year-on-year in February, their fourth monthly decline in a row. The largest price declines were in the areas of clothing, consumer durables, private housing rentals and restaurant meals.
- Indonesia will delay the sale of stakes in PT Indoconsat Satellite Corp., or Indosat, and other state companies until July, in the hope that such assets will command higher prices after the country's elections.
- Australia's four major banks must improve services to rural areas, a parliamentary committee said in a report that seemed to dash the banks' hopes that a ban on mergers among the four might be lifted.
- Edison International Inc., a California utility, will pay 1.2 billion New Zealand dollars (\$635 million) to buy a stake in Contact Energy Ltd. from New Zealand's government.
- Hyundai Motor Co. will put up 60 percent of the 1.18 trillion won (\$965 million) that its parent Hyundai Group will pay to acquire Kia Motors Corp.
- YTL Corp., one of Malaysia's biggest construction companies, posted a 35 percent rise in profit to 335.1 million ringgit (\$62 million) for the six months ended Dec. 31 from 173.9 million ringgit a year earlier.
- China's unified contract law will take effect Oct. 1, the People's Daily newspaper said. The law incorporates laws and administrative decisions of the past 20 years covering foreign investment and private businesses. (AFP, Bloomberg)

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SPORTS

McGwire-Sosa Derby Redux

The Associated Press
Mark McGwire homers to take over the lead. A few hours later, Sammy Sosa homers to tie him at eight. This spring training camp seems like last summer, as far as the home-run race is concerned.

"He's ready, I'm ready," Sosa said Sunday after hitting a three-run homer in the Chicago Cubs' 10-7 loss to the San Francisco Giants in Mesa, Arizona. "He's got to do a job, I've got to do a job."

McGwire hit a two-run shot in the third inning of the St. Louis Cardinals' 10-4 loss to the Florida Marlins' split squad in Jupiter, Florida.

"For me, it doesn't take too long to get ready," Sosa said. "I've been relaxed and patient at home plate, and that's help-

ing me not to swing at pitches I shouldn't be swinging at."

Meanwhile, Joe Torre, the New York Yankees manager, was released from St. Louis. According to pathology reports, his cancer was limited to his prostate gland, with no trace of it in the lymph nodes.

He is not expected to rejoin the team for six to 12 weeks, but will recuperate in Florida, said a friend, Jeff Wehling.

"He wants to be near the team, but he also thought it would be better to be much warmer than in New York and he can get out and do his walking," Wehling said.

In Port Charles, Florida, the Texas Rangers said that the reliever John Wetteland might start the season on the

disabled list. Wetteland has been slowed for a month by an ankle injury and by muscle spasms in his lower back.

"The delivery that I saw on Thursday, I didn't like it at all," said the Texas manager, Johnny Oates. "He just can't push off. He just can't push off for me."

In Peoria, Arizona, Garth Brooks, the country singer-turned-baseball player, got his first hit of spring training, singling up the middle off Mike Siroka in the San Diego Padres' 11-8 loss to the Chicago White Sox. It was his 10th plate appearance.

"I saw the second baseman dive and the ball disappeared behind him," he said. "So I couldn't see what happened. When the crowd stood up, I thought, 'Holy cow!'"



Pete Sampras firing a volley to Jonas Bjorkman on the way to a 7-5, 6-3 victory in the Lipton Championships.

Sampras Seeks Spotlight

He Chases No. 1 and Place on Lipton's Center Court

The Associated Press
KEY BISCAYNE, Fla.—Pete Sampras thought he deserved to play every match on center court at the Lipton Championships. Tournament officials think otherwise.

Sampras was scheduled for the grandstand court in his fourth-round match Monday against Albert Costa, and he was unhappy.

"It's an absolute shock to me," Sampras said. "How many slams or how many tournaments do you have to win to get on stadium court at this tournament?"

The Monday lineup was completed Sunday before Sampras beat Jonas Bjorkman. Officials apparently did not want to risk having Bjorkman on the stadium court, and television requests for other matches were a consideration, said Alan Mills, the tournament referee.

On Monday in the women's tournament, Amanda Coetzer, the ninth seed from South Africa, defeated Maureen Drake of Canada, 6-4, 6-4. Anna Kournikova of Russia, seeded

13, overcame Julie Halard-Decugis of France, 6-4, 7-5 (7-5), and Barbara Schett of Austria, 6-4, 6-2. Sampras, bidding to reclaim the No. 1 rank, edged this week from Carlos Moya, beat Bjorkman, 7-5, 6-3, on Sunday. The unseeded Vince Spadea, the only other American left in the men's draw, swept Fabrice Santoro, 6-3, 6-2. Moya also advanced and helped make it a dismal day for the Americans. He beat Jason Stoltenberg, 6-7 (5-7), 6-1, 7-5. Patrick Rafter, seeded 10th, was eliminated.

Philippoussis, seeded 10th, was eliminated by Marius Săfin, 7-6 (7-5), 7-6 (7-3). Rafter, lost to Andre Kiefer, 7-6 (7-5), 6-4. Rafter yet to reach a quarterfinal in six tournaments.

Moya benefited in the next-to-last game from two overrules by the chair umpire, including one that cost Stoltenberg the game. Instead, Moya took a 6-5 lead, then served out the match.

SCOREBOARD

BASEBALL

EXHIBITION BASEBALL

SUNDAY RESULTS
Atlanta (w) 3, Houston (l) 1
Philadelphia 11, Cleveland 1
Baltimore 6, Milwaukee 5
Detroit 11, Kansas City 7
Boston 4, Toronto 3
Pittsburgh 6, Tampa Bay 3
Texas 5, Cleveland 3
Florida (w) 10, St. Louis 4
Florida (w) 4, New York Mets (l) 3
Los Angeles 7, Montreal 5
Houston (w) 13, New York Marls (w) 11
New York Yankees 11, Atlanta (w) 10
San Diego 7, Oakland 4
Seattle 12, Milwaukee 4
Chicago White Sox 11, San Diego 8
Colorado 11, Arizona 10
San Francisco 10, Chicago Cubs 7

BASKETBALL

NBA STANDINGS

ATLANTIC DIVISION	W	L	Pct	GB
Atlanta	10	6	.625	—
Charlotte	10	6	.625	—
Philadelphia	10	6	.625	—
New York	10	6	.625	—
Washington	10	6	.625	—
Boston	10	6	.625	—
New Jersey	2	18	.125	14

CENTRAL DIVISION	W	L	Pct	GB
Indiana	17	7	.708	—
Milwaukee	14	10	.583	3
Atlanta	14	10	.583	3
Chicago	14	10	.583	3
Detroit	14	10	.583	3
Cleveland	12	11	.520	5
Toronto	9	14	.391	7
Chicago	0	17	.000	16

PACIFIC DIVISION	W	L	Pct	GB
Portland	18	9	.667	—
L.A. Lakers	18	9	.667	—
Seattle	12	11	.520	5
Phoenix	12	11	.520	5
Sacramento	12	11	.520	5
Golden State	10	14	.417	7
L.A. Clippers	2	22	.091	17

WESTERN DIVISION	W	L	Pct	GB
Utah	19	6	.760	—
Houston	16	9	.640	3
San Antonio	14	12	.538	5
Minnesota	14	12	.538	5
Dallas	9	18	.333	12
Denver	5	20	.200	14

NCAA TOURNAMENT

SUNDAY RESULTS

WEST REGIONAL FINAL

Duke 85, Temple 64

SOUTHEAST REGIONAL FINAL

Michigan State 74, Kentucky 44

ICE HOCKEY

NHL STANDINGS

ATLANTIC DIVISION	W	L	T	Pts	GF	GA
New Jersey	35	22	17	84	201	169
Pittsburgh	35	22	17	84	201	169
Philadelphia	35	22	17	84	201	169
N.Y. Rangers	35	22	17	84	201	169
N.Y. Islanders	35	22	17	84	201	169

CENTRAL DIVISION	W	L	T	Pts	GF	GA
St. Louis	35	22	17	84	201	169
Chicago	35	22	17	84	201	169
Minnesota	35	22	17	84	201	169
San Jose	35	22	17	84	201	169

PACIFIC DIVISION	W	L	T	Pts	GF	GA
Los Angeles	35	22	17	84	201	169
San Jose	35	22	17	84	201	169
San Jose	35	22	17	84	201	169
San Jose	35	22	17	84	201	169

CRICKET

TEST MATCHES

INDIA VS. SRI LANKA

India 267, Sri Lanka 207

NEW ZEALAND VS. SOUTH AFRICA

New Zealand 222, South Africa 162

SOCCER

ITALIAN FIRST DIVISION

Udinese 2, Parma 1

SPANISH FIRST DIVISION

Valencia 1, Real Zaragoza 1

GOLF

BAY HILL INVITATIONAL

Stacy Lewis, 10

WYNDHAM CHAMPIONSHIPS

Stacy Lewis, 10

WYNDHAM CHAMPIONSHIPS

Stacy Lewis, 10

WYNDHAM CHAMPIONSHIPS

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WYNDHAM CHAMPIONSHIPS

Stacy Lewis, 10

TENNIS

LIPTON CHAMPIONSHIPS

SUNDAY IN KEY BISCAYNE, FLORIDA

Pete Sampras 7-5, 6-3, Carlos Moya

Philippoussis 7-6 (7-5), 7-6 (7-3)

Rafter 6-7 (5-7), 6-1, 7-5

Spadea 6-3, 6-2

Moya 7-5, 6-3

Bjorkman 7-5, 6-3

Santoro 6-3, 6-2

Stoltenberg 6-7 (5-7), 6-1, 7-5

Rafter 6-7 (5-7), 6-1, 7-5

Spadea 6-3, 6-2

Moya 7-5, 6-3

Bjorkman 7-5, 6-3

Santoro 6-3, 6-2

Stoltenberg 6-7 (5-7), 6-1, 7-5

Rafter 6-7 (5-7), 6-1, 7-5

Spadea 6-3, 6-2

Moya 7-5, 6-3

Bjorkman 7-5, 6-3

Santoro 6-3, 6-2

Stoltenberg 6-7 (5-7), 6-1, 7-5

Rafter 6-7 (5-7), 6-1, 7-5

Spadea 6-3, 6-2

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Stoltenberg 6-7 (5-7), 6-1, 7-5

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Stoltenberg 6-7 (5-7), 6-1, 7-5

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Moya 7-5, 6-3

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Moya 7-5, 6-3

Bjorkman 7-5, 6-3

Santoro 6-3, 6-2

Stoltenberg 6-7 (5-7), 6-1, 7-5

Rafter 6-7 (5-7), 6-1, 7-5

Spadea 6-3, 6-2

Moya 7-5, 6-3

Bjorkman 7-5, 6-3

Santoro 6-3, 6-2

TRANSITIONS

BASEBALL

DETROIT VS. CLEVELAND

Detroit 10, Cleveland 4

Philadelphia 10, New York 4

Washington 10, Boston 4

New Jersey 2, Atlanta 18

Chicago 0, St. Louis 17

San Antonio 14, Houston 16

San Antonio 14, Houston 16

San Antonio 14, Houston 16

San Antonio 14, Houston 16

San Antonio 14, Houston 16

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ART BUCHWALD

The Next Hot Book

NEW YORK — There has been a spate of books trashing President Bill Clinton — everything from Monica's "My Bill" to George Stephanopoulos's "If You're Going to Blame Someone, Don't Blame Me" and Dick Morris's "I Fooled Around, but I Had His Ear" confessions. It is the dream of everyone who worked for the president to write a best-seller and make the Book of the Month Club.



Buchwald

The publishers have too many books of scandal on their hands already and are reluctant to sign up any more. It was with some skepticism that Publisher Grossman received Tommy Toga into his office. Tommy had worked in the White House for six years and was leaving. He was pitching his book to the publisher. "Before you throw me out," he told Grossman, "I'm sure my story will bring denials from every corner of the White House."

"What makes you say that?" Grossman asked sourly.

"I think Bill Clinton is the greatest president, without a flaw, the United States has ever had."

For the first time the publisher looked up, interested. "Go on."

"He never told a lie. The reason he never told a lie is that he never had to. It's all in my book."

The publisher said, "What about the sex? Where does the sex in the book come in?"

Tommy said, "There is no sex, because there was none. I never saw any, and I was with him night and day."

□

"Then what happened in the Oval Office?"

"He sat there all day and half the night thinking about Kosovo."

"What about the room next to the Oval Office?"

"He went there once a week to go over the budget with Alan Greenspan."

"What juicy stuff do you have on Hillary?"

"In the back of the book I intend to print the menus of her last 10 state dinners."

"I have to admit, what you brought me is different."

"Barbara Walters will kill to have me on her show."

A Plan for the Queen Mother

Agence France-Press

LONDON — Britain's royal family reportedly has awarded Prince Charles the task of persuading the 98-year-old Queen Mother to cut back on her lavish lifestyle after she ran up a huge overdraft of £4 million at the royal bank Coutts.

Citing unidentified aides, the Sunday Express said the palace had devised a plan that included cutting some staff, mothballing one of the Queen Mother's five homes — the Castle of Mey in the north of Scotland — and selling rarely used cars and some of her 10 racehorses. A plan also has been floated to move her from her home in central London, Clarence House, into an apartment at St. James' Palace, the weekly reported.

One aide was quoted saying: "Charles has been asked to approach his grandmother to discuss how to cut down on her expenses."

At the Oscars: Upsets, Tears and Cheers

By Bernard Weinraub
New York Times Service

LOS ANGELES — In an upset, "Shakespeare in Love" was selected best picture at the 71st annual Academy Awards, defeating Steven Spielberg's "Saving Private Ryan," the favorite.

Spielberg was given the Oscar for best director, one of five Academy Awards for "Saving Private Ryan," but the winner on Sunday night was "Shakespeare," which gained seven Academy Awards, including best actress for Gwyneth Paltrow.

It was a sharp disappointment to executives at Dreamworks and Paramount who produced "Saving Private Ryan," and had expected, like numerous others in Hollywood, that the acclaimed World War II drama would win the Oscar.

The unexpected triumph of "Shakespeare in Love" was especially sweet to Harvey Weinstein, co-owner of Miramax, who lavished millions of dollars on a campaign promoting the film in Hollywood trade papers and newspapers — and was criticized by Dreamworks for doing so and forcing Spielberg's company to spend more on its academy campaign. But as late as Sunday morning, most studio executives, producers and talent agents were convinced that the Spielberg film would triumph.

The other nominated films were "Elizabeth," "Life Is Beautiful," and "The Thin Red Line."

The top acting awards went to Paltrow and to Dame Judi Dench in a supporting role for "Shakespeare in Love." Roberto Benigni as leading actor for "Life Is Beautiful" and James Coburn in a supporting role for "Affliction."

Some of the best actors in the world were nominated this year, said Goldberg. "One or two of them were even American."

The stars of the evening were Paltrow and Benigni. Paltrow, 26, was given the Oscar for "Shakespeare in Love," and wept as she thanked numerous colleagues and family members.

Benigni won awards for best actor for his performance in "Life Is Beautiful" and for best foreign film. The comedy-drama from Italy is about a man who seeks to protect his son from the Holocaust.

Sophia Loren presented Benigni with the foreign-film award. Benigni, who created the film, climbed over several seats and waved enthusiastically as he skipped on-stage to accept the award. "This is too much



From left, Gwyneth Paltrow, Judi Dench, James Coburn and Roberto Benigni.

Scorsese and De Niro. Kazan slowly walked off the stage with his wife, Frances.

Whoopi Goldberg, the host, dominated the show with a myriad of costume changes, faintly off-color jokes and one-liners about Linda Tripp and Kenneth Starr. At the opening, she drew prolonged applause and laughter as she appeared in an elaborate Elizabethan gown. Goldberg paid tribute to the number of films nominated involving Shakespeare and Elizabeth I.

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car Named Desire," "Gentleman's Agreement," "East of Eden" and other films. Karl Malden, the actor and a friend of Kazan's, proposed the award.

Even his critics acknowledged that Kazan was one of the foremost postwar film and theatrical directors whose influence on filmmaking and acting still resonates. But Kazan, who is 89 and ailing, has not been forgiven by formerly blacklisted writers and directors and others for his decision to appear as a sympathetic witness before the House Un-American Activities Committee. In 1952 he informed on eight old friends from the Group Theater who, along with him, had once belonged to the Communist Party.

The Kazan award, one of the most controversial in the history of the Oscars, overshadowed another honorary Academy Award this year — the Irving G. Thalberg Memorial Award to the producer and director Norman Jewison, whose credits include "The Cincinnati Kid," "In the Heat of the Night," "Fiddler on the Roof" and "Moonstruck."

The awards were telecast for the first time on a Sunday, instead of the traditional Monday, on ABC and around the world. The shift was largely dictated by television — the view at Disney-owned ABC that Sunday night would lure more home viewers who would stay up and watch the extravaganza at the close of the weekend. A second factor was that the ceremony, which had been held on Mondays since 1959, caused rush-hour traffic jams in the Los Angeles area.

Also marking the awards this year was a spirited competition among three films, "Saving Private Ryan," "Shakespeare in Love" and "Life Is Beautiful." For months, the front-runner was Spielberg's harrowing drama about eight World War II infantrymen who were sent on a mission after D-Day to rescue a family's sole surviving son.

But Miramax, owned by the Walt Disney Co., began a high-profile publicity campaign for "Shakespeare in Love," a comedy involving a fictional romance between Shakespeare (played by Joseph Fiennes) and a restless young woman (Paltrow). In the end, "Shakespeare" garnered 13 nominations while "Saving Private Ryan" received 11.

More than 5,000 members of the Academy of Motion Picture Arts and Sciences — composed of actors, filmmakers, producers, writers, studio executives, cinematographers, costume designers and others — voted in the 24 Oscar categories.

PEOPLE

GODS AND MONSTERS, starring Ian McKellen and Lynn Redgrave, was the winner at the 14th annual Independent Spirit Awards. A film qualifies for the Spirits if it has played at a commercial theater during the calendar year or played at the following festivals: New York, Seattle, Sundance, Telluride, Toronto or the New Directors/New Films festival in New York. "Gods and Monsters," about the final days of James Whale, the director of "Frankenstein," won awards for best feature, best actor for McKellen's role and best supporting actress for Redgrave. Wes Anderson was best director for his off-the-wall, coming-of-age comedy "Rushmore."

□ Anthony Julius, the lawyer for Diana, Princess of Wales, during her divorce from Prince Charles, has quit his post as head of the Diana Foundation, which he helped set up. Julius said he would stay on the foundation, while ceding the chairmanship to another member, Christopher Spence. The

foundation was established to perpetuate Diana's memory and distribute funds raised to charity. Both Julius and the fund have been the subject of controversy almost from the beginning.

□ Jennifer Pena wouldn't perform at the 19th Tejano Music Awards because of a dispute over playing with mariachis, but she still came away with best female vocalist and entertainer honors. Her parents, Jaime and Mary Pena, who are also her managers, were told that their daughter could not go on stage with mariachis because another artist already was performing with mariachis. Bobby Pulido was named best male entertainer at the ceremony in San Antonio, Texas.

□ Chancellor Gerhard Schroeder of Germany made a surprise appearance as a fashion model in the spring/summer menswear catalogue from the Brioni fashion house. The chancellor, who is known for his smart if sober taste in tailoring, was shown being fitted for a

suit by Brioni's top designer, Angelo Petrucci, Welt am Sonntag reports.

□ In the last year alone, the writings of James Baldwin landed on the Modern Library's list of the 100 finest English-language novels and in New York University's picks of 20th-century American journalism classics. More recently, the Library of Congress published a comprehensive collection of Baldwin's oeuvre, edited by Toni Morrison. And on Monday Baldwin was to become the latest in a succession of writers, including Robert Finkley, Dante, Mark Twain and Casanova, to be heralded by the Manhattan Theater Club.

Literary Mystery: A J.D. Salinger Cache?

The Associated Press

CONCORD, N.H. — J.D. Salinger, who won international acclaim for "The Catcher in the Rye" but hasn't published anything since 1965, has written at least 15 books that he keeps locked up in a safe at his home, a neighbor said.

The renowned recluse, who never gives interviews, has published only one other novel, "Franny and Zooey" in 1961, and some short stories. He lives in seclusion in Cornish, near the Vermont border.

Jerry Burt, who was friends with Salinger in the 1960s and lives nearby, says Salinger told him in 1978 that he had written 15 or 16 other books. Burt said the books were apparently hidden in a walk-in bank safe in Salinger's home. "I didn't see them," Burt said. "Who knows now. He may have burned them all. He may have published them under another name. He didn't have any idea at the time what he was going to do with them."



CAMPAIGN — The singer Michael Jackson, with Thomas Gottschalk on a German TV show, promoting concerts for Red Cross and UN programs.

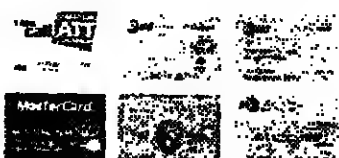


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Egypt (Cairo)	510-0209	Italy	172-1011	Switzerland	0800-99-0011
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من المصطفى